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**PROPOSED CAR CLUB**

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**Responsible Cabinet Member - Councillor Nick Wallis, Highways and Transport Portfolio**

**Responsible Director - John Buxton, Director of Development and Environment**

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**Purpose of Report**

1. To present to Members a proposal to set up a car club in Darlington as part of the Local Motion sustainable travel demonstration town project and to seek to release funding to support the initial costs of setting up a car club.

**Information and Analysis**

***Background***

2. A car club allows residents to have access to a car without having to own it; this allows the flexibility of being able to use a car without having to pay the costs associated with car ownership. Typically a car club member will pay an annual membership fee and an hourly or mileage rate for use of a car.

***Potential Benefits of a Car Club***

3. Car club members tend to choose to use a car specifically as it is the most appropriate mode of travel for a specific purpose rather than by default (as with private cars). This results in car club members demonstrating an overall reduction in the number of car trips made, and consequently making a contribution towards reducing traffic congestion.
4. Evidence from car clubs operating in other European and UK cities and towns:
  - (a) In Muheim in Switzerland car club members who gave up their car on joining the club reduced their car mileage by an average of 72% from 9300km to 2600km per year (this is less car mileage than Swiss non-car owners who average 3100km per year as a car passenger or through renting or borrowing cars).
  - (b) A study undertaken in 1997 showed that Dutch car club members reduced their annual mileage by 67% on joining.
  - (c) An EU report undertaken in 2002 shows that average driving distances fell from 13000 km per year to 3000 km per year amongst people joining car clubs. This equates to reduction of 77%.

- (d) The cars in the Bristol and Edinburgh City Car Clubs are being booked for up to 40% of bookable time. (7:30 am - 11:30 pm). The average private car in Darlington is used for 42 minutes per day, or just 4% of the available time.
- (e) The car clubs in both Bristol and Edinburgh have been found to complement public transport. The main bus operator in Bristol, First Bus, offers car club members a 10% discount on tickets while Lothian Regional Transport offer ticket discounts to members of Edinburgh's car clubs. Bus operators offer the discounts as they recognise that car club members will choose public transport if that is the most appropriate form of transport for a particular journey.
- (f) Through providing relatively low cost access to a car, Car Clubs can contribute to reducing social exclusion.

### ***Car Clubs in the United Kingdom***

- 5. At present there are forty car clubs operating in the United Kingdom in thirty-four different towns or cities, including London, Leeds, Edinburgh, Bristol, Swansea and Huddersfield. None operate in the North East region, the closest being a rural car club located in Richmond, North Yorkshire.

### ***Potential for a Car Club in Darlington***

- 6. Car clubs work most effectively under the following conditions:
  - (a) In an area with a medium to high density of residential dwellings where there are enough people to establish the club with sufficient members. (Evidence suggests that 20-25 members per car means that the cars are used sufficiently for the club to be financially viable, while the users still have access to the cars when they want them).
  - (b) Where there is pressure on the availability of parking spaces, for example in terraced streets or new developments designed with limited parking spaces.
  - (c) Where there are attractive and viable alternative transport options, for example if residents can make many of their daily journeys by public transport, cycling or walking, then their need for a car to make other journeys can be met by a car club.
  - (d) In the ideal scenario a car club is introduced as part of a new residential development, and marketed to new householders as part of the sales process. Free introductory membership of the club may also be included as part of a package agreed between a developer and the local planning authority.
  - (e) Where car clubs are introduced into existing residential areas it is important to provide designated parking areas, either on street as part of a residential parking scheme or off street in private parking bays.
- 7. Good marketing and initial financial support are essential in generating sufficient membership to sustain a viable car club.

8. Car clubs can also benefit from use by corporate members, for example a large private employer or local authority regularly booking cars during the working day.
9. Existing areas of Darlington have many of the attributes required for a successful car club, that is:
  - (a) Relatively high density housing and restricted availability of parking.
  - (b) Residential areas with easy access to local services, on foot, by bike or on public transport.
  - (c) A number of residential parking zones.
10. Subject to further consultation and planning guidance there may be future opportunities for the development of car clubs within new housing or mixed use developments in Darlington, for example at Central Park.

### ***Proposed Procedure for Setting up a Car Club in Darlington***

11. Subject to Members' approval we propose to invite tenders for setting up a car club in Darlington, to start operating no sooner than the period May - September 2007.
12. Tenderers will be required to provide a business plan, including information on:
  - (a) Proposed area of operation of the car club and preferred location of club car parking.
  - (b) An operational plan for the first five years of the car club, this to include a detailed financial plan.
  - (c) Information on how the car club would be marketed and promoted.
  - (d) Information on the management of car club assets and plans for the reinvestment of income in the car club to maintain and grow the business.
  - (e) A risk management plan, including an assessment of the potential financial and operational risks of the car club, and how they propose to manage any potential risks.
  - (f) Targets which they expect to achieve (such as reduction in car usage over five years).
13. It is proposed that the tender document indicates the level of funding that the Local Motion sustainable travel town initiative may contribute to the initial costs of starting a car club.

### ***Financial Implications***

14. It is proposed that, subject to Members' approval, the Local Motion sustainable travel town demonstration project will provide start up funding up to a maximum value of £70,000. The funding would be wholly from money provided by the Department for Transport (DfT) for the Sustainable Travel Demonstration Town project. One of DfT's objectives for this funding is to experiment with pilot schemes. Nevertheless, options for clawing back payments should the car club not meet its targets will be considered during the tender

process.

15. Beyond the initial set up phase the car club operator would be expected to cover all costs (ability to do so would have to be demonstrated during tender process). There are car clubs in the UK which operate without ongoing revenue subsidy.

### **Outcome of Consultation**

16. Specific Local Motion projects are considered and endorsed by the cross-sector Town on the Move Reference Group. The Reference Group has supported the proposed method for encouraging a car club set out in this report. Ward Members, the Reference Group, local businesses and residents will be further consulted on the proposed car club, as more detailed information on the proposed location and operation of the club becomes available.

### **Legal Implications**

17. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

### **Section 17 of the Crime and Disorder Act 1998**

18. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

### **Council Policy Framework**

19. The issues contained within this report do not represent change to Council policy or the Council's policy framework.

### **Decision Deadline**

20. For the purpose of the 'call-in' procedure this does not represent an urgent matter. It is proposed that Environment Scrutiny Committee considers the impact of the car club as part of the overall programme of Local Motion sustainable travel town measures.

### **Key Decisions**

21. This is a Key Decision, as it will have an impact on residents and businesses in several Wards.

### **Recommendation**

22. It is recommended that Members approve the proposal to invite tenders to set up a car club in Darlington, including the release of up to a maximum of £70,000 from the Local Motion sustainable travel town grant to support the start up costs of a car club.

## **Reasons**

23. The recommendation is supported by the following reasons :-

- (a) To enable officers to proceed with plans to promote the development of a car club in Darlington.
- (b) To enable the Council to maximise the amount of external funding available to help residents of the Borough.

**John Buxton,  
Director of Development and Environment**

## **Background Papers**

- (i) Smarter Choices- changing the way we travel, Cairns S, Sloman L, Newson C, Anable J, Kirkbride A and Goodwin P (2004).
- (ii) A Guide for Building Car Clubs and Car Share Schemes into Local Transport Planning, Car Plus (November 2004.)

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