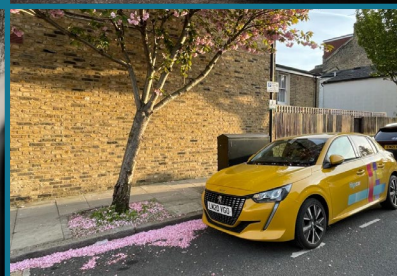


Car club guidance for local authorities

September 2023



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CoMoUK is the national organisation for shared transport, a charity for promoting its social, economic and environmental benefits. We work collaboratively with national, regional, transport and local authorities as well as the private sector to further these public benefits.



Introduction

Car clubs have been proven to be the lynch pin to supporting low car lifestyles. They support people to shift away from private car use to embrace active travel and sustainable transport by providing a flexible service to fulfil occasional trips not covered by other means. They lead to more efficient use of a smaller number of newer and greener vehicles freeing up space for the creation of higher quality liveable neighbourhoods.

The development of car club schemes when done at scale contributes significantly to strategies relating to the climate change emergency, the creation of clean air zones as well as tackling physical inactivity and transport poverty. This renewed guidance sets out strategies for maximising the

contribution towards these policy goals as well as laying out updated options for public bodies in designing successful procurement strategies. The guidance explores how to avoid common pitfalls and support local authority officers through the development process.



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Contribution of car clubs to government policy

The CoMoUK Annual Reports¹ provide a bank of evidence to illustrate the contribution car clubs can make to a range of public policy goals. Providing access to shared vehicles leads to:

COST SAVINGS COMPARED TO OWNING OR LEASING A CAR



73%

of car club users who had decreased their car ownership thought that they had saved money compared to owning or leasing a car

FREED SPACE THROUGH A REDUCTION IN CAR OWNERSHIP



22

In 2022, on average, each car club vehicle in the UK replaced 22 private cars

REDUCED CONGESTION THROUGH FEWER MILES DRIVEN



70%

of members used the car club between 1 and 5 times a year

REDUCED EMISSIONS THROUGH CLEANER VEHICLES



27%

lower carbon emissions from car club vehicles in the UK than the average UK car

GREATER USE OF SUSTAINABLE MODES



32%

of car club members were using a bicycle at least once a week, while in 2021, only 15% of people in England cycled once a week or more on average



76%

of car club members were walking at least once a week for travel (i.e. not for leisure)



48%

of respondents were using a bus at least once a week and 43% were using a train or tram at least once a week, compared to a national average in England of 16% and 5%

EQUITABLE ACCESS TO AMENITIES AND LEISURE THROUGH AFFORDABLE PAY BY THE HOUR SERVICES



22%

of car club members used car clubs for journeys that they wouldn't have been able to make otherwise

¹ <https://www.como.org.uk/shared-cars/overview-and-benefits#car-club-annual-reports>

Strategies to maximising the benefits of car clubs

We recommend following these tactics to get the most out of developing a car club in an area. There are a number of ways in which an authority can help to ensure that coverage and utilisation are increased. Each area of work is likely to require cross-departmental co-operation and political support.

In order to have successful scheme development it is important that there is good understanding and support from those with responsibility for transport, parking and the built environment. There needs to be good links between the

objectives of teams, most notably those responsible for parking revenues where there may be conflicting strategies with regards to converting parking spaces to car club bays.

Checklist of strategies to maximise the benefits of car clubs:

Improve the eco-systems for car clubs

To support low car lifestyles, there is a need to create higher density housing, restricted parking and improve public transport provision. The more that can be done to provide and promote good alternatives to the car with local amenities, public transport, cycling routes, parking restrictions and relative density of people and destinations, the more successful the car club will be.

Reduce unnecessary costs for car clubs

Car clubs operate on very small margins as has been demonstrated by closures in 2023 in the market. Another way in which authorities can support operators is by minimising permit costs. Reducing the red tape connected to managing parking charge notices can also help to reduce unnecessary costs. This is especially important for new operators to a location where they don't have an existing membership base and will have high upfront costs and investment. Not doing this, may impact the viability for new entrants as well as existing operators.

Restrict car parking especially in new developments

New developments should be designed to restrict private car ownership, and improve access to sustainable modes. This is not just a question of increased numbers of car club cars, but of using promotional and incentivisation routes to make car club membership more attractive than car ownership. Increasing residential car parking permit prices and giving people frequent opportunities to opt for car club over a private car permit helps. Rewarding people with discounts for renewing for longer periods works against car clubs.

Planning guidance needs to support the shift to low-car lifestyles with reduced parking ratios and the provision of a range of sustainable alternatives including car clubs. This can best be achieved by creating a hierarchy of options, placing the sustainable modes closest to the front door and shifting private car parking away from the drive to the edge of the site. This enables enhancement of the space outside homes for leisure and play. The CoMoUK guidance 'New developments and shared transport'¹ provides details and case studies on this area.

¹ <https://www.como.org.uk/documents/new-developments-guidance>

Create a dense network of high profile car club bays in mobility hubs

Car club members need a choice of vehicles in a convenient 2-5 minutes' walk from their house in order to realistically feel reassured to give up their own only (or second or third) car. CoMoUK recommends converting private car parking space into mobility hubs with the offer of a variety of integrated sustainable transport modes alongside public realm improvements. Creating a network of mini hubs in walking distance of residents raises the profile of active and sustainable modes, improves their convenience and crucially enhances the experience of cleaner, greener, travel options.

Develop your electric charging network

The authority should continue to expand charging infrastructure with a mix of fixed bay charge points and publicly shared rapid charge points. Targets for conversion should be replaced by flexible incentives to reflect the uncertainty of supply. It is worth noting that car club cars are already cleaner than the average private car, as well as reducing the miles members drive, which in combination bring automatic carbon reduction benefits. The expansion of car clubs should not be held up by the barriers to electrification. The CoMoUK guidance 'Electric Vehicles in Car Clubs'¹ provides further useful detail on this area.

The CoMoUK car club research 2022² show that, 42% of respondents had used a fully electric car club vehicle. This is a significant increase from the 35% who had done so in 2021. Those who had used them, 91% said they were satisfied or very satisfied with driving an electric car. The proportions of customers reporting that they were satisfied with charging the cars at the end of a hire (47% satisfied or very satisfied) or mid-hire (29% satisfied or very satisfied) were lower.

It is now possible to apply for funding for car club specific charge points through two national funding schemes after years in which car clubs have been excluded from publicly-funded EV chargepoint installations. The new Local Electric Vehicle Infrastructure (LEVI) Fund³ is accepting bids from authorities that feature car clubs. Plus the on-street residential chargepoint scheme (ORCS)⁴, which has until very recently excluded car clubs, can also now receive bids for infrastructure that can be used by car clubs.

Use car clubs in place of the authority's own fleet cars

The authority can support car clubs by joining as a corporate member and asking staff to carry out work related trips via the scheme. In some instances, car clubs add telematics to existing authority fleets which are then block booked for the authority either 24/7 or for set hours. It is common for local authority to use the car club vehicles during the day for staff use and the public in the evening. Using the car club can save money for authorities by allowing more efficient use of their vehicles, at the same time it can also increase the commercial viability of some vehicle locations. With a short supply of electric vehicles it may also provide practical support with the growth of EVs. As many authority staff work from home some of the pool cars could be located within the community rather than at authority offices. The CoMoUK guidance document 'Shared transport an action kit for employers'⁵ provides details and case studies on this.

1 <https://www.como.org.uk/documents/electric-vehicles-in-car-clubs>

2 <https://www.como.org.uk/documents/car-club-annual-report-uk-2022>

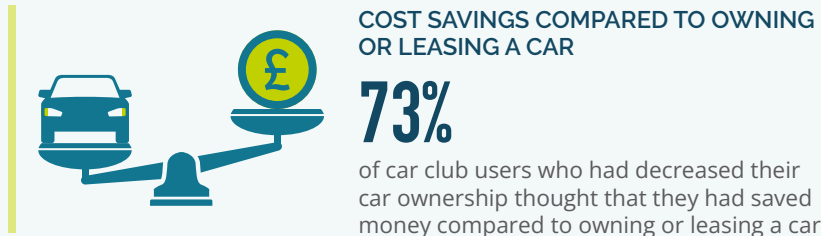
3 <https://energysavingtrust.org.uk/grants-and-loans/local-electric-vehicle-infrastructure-scheme/>

4 <https://energysavingtrust.org.uk/grants-and-loans/on-street-residential-chargepoint-scheme/>

5 <https://www.como.org.uk/documents/shared-transport-an-action-kit-for-employers>

There are a range of marketing strategies the borough can adopt to support the operators' own marketing. It would be worth testing different approaches to get the best return on investment. The CoMoUK guidance on non-users of shared transport¹ may be useful here.

- **Behaviour change credits scheme:** Some authorities have experimented with offering a package of car club membership and public transport credits in exchange for giving up a private car. This could be offered in conjunction with free trials to help residents to overcome their barriers. One example of this is the Coventry Mobility Credits scheme² where residents with an older, more polluting privately owned car can exchange their car for £3000 of credits for public transport, car clubs, bike share, taxis and on-demand bus services.
- **Free trials:** A successful marketing technique is to offer free rider credit for limited time for car club cars to tackle the barriers of unfamiliarity with accessing a car club and engage them in discussion about cost savings.
- **Community based 1:1 advice:** Making a switch to a shared car is not an easy decision, there are many factors for people to consider and barriers to overcome. Some people may need help to compare costs, others may have misconceptions about how the system works or worries about fines. Such advice could be offered by partnering with local community groups with shared goals to provide 1:1 guidance and help to widen participation beyond the early adopters.
- **Cost calculator:** Encouraging residents to compare the cost of ownership to car club membership & additional public transport costs for their travel patterns can address misconceptions about pricing. One method to do this is the CoMoUK Travel Better Tool.³ In addition pen portraits can illustrate examples from different types of household.



- **Information in the council's own communication channels:** The car club can be promoted through parking permit emails /mailings and on the website when people are processing their purchase.
- **Business engagement:** The travel planning networks can be used to encourage employers to use car sharing schemes alongside a range of sustainable modes rather than putting too much reliance on fleet cars.
- **Integration with other activities:** The authority, in conjunction with the operator/s can carry-out a 360-degree review to identify where car clubs can link through to other initiatives such as bike share schemes, tourism attractions, job centres, and community groups.

¹ <https://www.como.org.uk/documents/understanding-users-and-non-users-of-shared-transport-in-scotland>

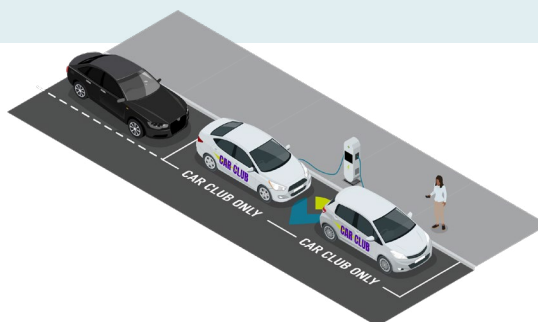
² https://www.coventry.gov.uk/info/1290/mobility_credits

³ <https://travelbetter.como.org.uk/>

Operational models of car clubs

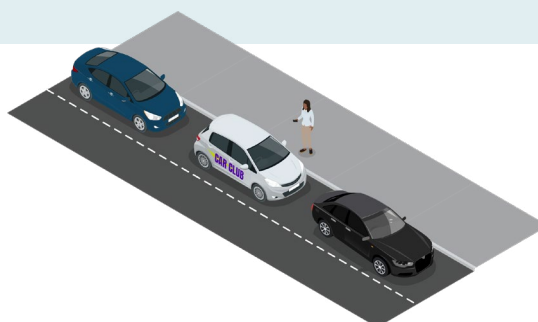
Back to base

Traditionally car sharing vehicles have been placed in set marked bays which they must be returned to at the end of the hire. As fleets convert to electric, EV charge points will need to be installed in the bay in many areas.



Back to area

Back to area car clubs provides an alternative operational model where cars are based in geo-fenced areas across one or two streets. Cars are returned to any free space within this area then and found by the next driver using the app.



One way

In some cities (currently only London in the UK), a one-way scheme allows users to end a hire in any space covered by the parking permit including crossing into other boroughs. This model is always found alongside back to base or back to

area as the options complement each other, suiting different types of trips. For example, one way hires may be helpful when one part of trip can be best done by public transport or when there is a time gap on the middle of trip.

Peer-to-peer

Peer-to-peer (P2P) car sharing is not a form of car club, but provides a different model of sharing cars. It allows the use of vehicles owned by private individuals via an online platform.



Single vs multiple operators

In larger cities/local authority areas, there may be enough demand to support more than one provider. While this is common in London, outside the capital only a few places have more than one car club operating on-street such as Bristol. It should be noted that there are only a few national CoMoUK accredited car club operators in the UK. Councils can offer concession agreements on a non-exclusive basis so multiple operators may be engaged and additional ones added to the service offer in future, rather than waiting for an exclusive contract with a particular operator to expire.

Finding the optimum number of operators will require careful consideration. The key aim to ensure there is a choice of vehicles

within walking distance of all residents and currently most areas have room for considerable expansion. Additional services provide more choice and competition for the user which can trigger innovation and investment in growth. However, it could be frustrating for customers to join too many services to find a car in their area. Furthermore, consideration needs to be given to the impact on operators of increased competition which has a direct impact on the ability of operators to generate sufficient revenue from a scheme. This is particularly important in relation to the concession model where operators invest significant sums in the assets, in marketing and in the operation of a scheme. The larger the area the more likely multiple schemes can be viable.

Advantages and disadvantages of the multiple operator model

Advantages

- ✚ Increases choice of service, price & vehicles for users
- ✚ Increases investment and can support faster growth
- ✚ Increases competition and improves offer to the users
- ✚ Flexibility to adapt to targets to meet market conditions which could lead to faster growth
- ✚ Flexible tool to manage poor performance

Disadvantages

- Requires more than one app registration for the user
- May require more than one registration fee although this is often waived
- Greater complexity & need for management time
- Less certainty of meeting set targets
- May affect viability if the area doesn't have sufficient potential take up

Approaches to engaging service providers

It is important to remember when engaging operators in an area that car clubs are not a public service delivered by and/or paid for by the public sector. It is a service to the public which hits many public policy goals but which usually gets no subsidy and often pays to operate.

Consequently, authorities should look at the right procurement route for the situation. This section explores two routes: concession and services contracts, the former, lighter touch route, being the one recommended for schemes without funding.

a Market engagement

Regardless of the procurement approach or model adopted, it is essential that authorities take the time, at the outset, to design their scheme in order to futureproof it and ensure it meets the authority's requirements both from the outset and during the term of the arrangement. Authorities should make the most of the expertise of the operators when designing a scheme as they will know what will work in their area. Early market testing, which is permitted and encouraged under public procurement law, prevents tender specifications from containing problematic requirements or tying operators into delivering something which won't maximise the potential benefits. A pre-tender questionnaire followed by discussions will allow operators to provide like for like information then expand upon and discuss a range of ideas. It may cover topics such as the scale, density and phased growth for the scheme as well as operating models, partnership opportunities and pricing strategies. It may be important not to cherry pick the best ideas from each response and be realistic about the additional of extra initiatives.

Many of authorities are currently conducting market consultation exercises by use of publication of a Prior Information Notice advertising the opportunity and hosting sessions with operators on Microsoft Teams. This is a cost-effective and relatively quick way to engage with the market rather than the traditional route of hosting meetings in person or a market consultation day at an authority's offices. Market testing is an opportunity to lay out the objectives the authority is wishing to address to ensure that operators are informed of these objectives and able to advise on delivering the objectives in a way which aligns with local priorities. For example, a strategy to focus on reducing local air pollution may require a higher percentage of zero emission vehicles whilst another tackling increasing housing density in the suburbs may place an emphasis on wider coverage. Either way, market consultation provides a valuable source of information which can help shape both the scheme and procurement process through direct engagement with market operators.



Zipcar

b Concession arrangement

In many instances, an authority will be inviting a supplier to operate in the area without funding the scheme. Under this concession model, a supplier generates revenue from its operation of the scheme rather than a management fee or funding from the authority. As the operator is:

- a. bearing the costs of operating the scheme in purchasing the assets and managing the scheme (operational risk);
- b. exposed to the unpredictability of the market (i.e. the operator's revenue is directly related to the success/uptake of the scheme and the revenue generated from it); and
- c. not receiving payment from the authority to provide the scheme, the operator would not expect to be restricted when making key business and operational decisions which are important to financial sustainability and delivery of the scheme

Consequently, the procurement strategy needs to allow for this flexibility in both:

- a. the design of the procurement process (light touch process regardless of whether it triggers application of the Concession Contracts Regulations 2016 ("CCR 2016") or not (rather than the more familiar Public Contracts Regulations 2015 ("PCR 2015")); and
- b. the drafting of the contract between the authority and the operator: a concession contract rather than a typical services agreement.

The less public funding available, the more the operators will wish to have control and work flexibly to manage their operating costs. The risk operators are absorbing and the investment they are making is likely to greatly exceed any funding from an authority that is available. Therefore, the balance of control, in the contract between the authority and operator, needs to reflect this reality.

c Concession agreement process

The CCR 2016 contains the rules which apply to concession contracts where an operator's expected revenue over the course of the concession is expected to exceed the current threshold of £5,336,937 increased from £4,733,252 in 2022.

The rules are less prescriptive than the PCR 2015 processes with which many authorities will be familiar. Regulation 30 confirms that the authority has the freedom to design the process so long as it complies with the principles set out in the Regulations such as equal treatment, transparency and non-discrimination.

Where the expected revenue generated by the operator through the concession is below the CCR 2016 threshold, the authority has the freedom to design its selection process and is not bound by the CCR 2016. Regardless of whether a concession agreement is within the scope of the CCR 2016 or not, it is likely that the process conducted by the authority will involve the following stages:

1. advertisement of the opportunity on the authority's preferred portal and Contracts Finder (and OJEU if a CCR 2016 procurement);
2. circulation of an Invitation to Tender/ Request for Proposal to interested operators which sets out the questions bidders must answer as well as their financial proposals and the evaluation criteria the authority will use to determine the successful operator;
3. submission of tenders by interested operators – usually within at least month of advertisement of the opportunity;
4. tender evaluation by the authority to identify the successful operator;
5. internal authority approval processes; and
6. notification of bidders and finalising the contract with the successful operator.



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This option is likely to be the most useful to authorities wishing to attract an operator into their area in situations where the authority does not have funding to contribute to the operator's costs of delivering the scheme. In situations where funding is not available and the authority is simply providing parking bays (and securing TROs/TMOs and lining and signing), the process is lighter touch in comparison to a more typical PCR 2015 procurement process for a services agreement. An advantage is also that the authority is able to secure delivery of a scheme in its area without the financial commitment to the scheme.

A concession agreement is issued to an operator through which the operator is

given permission to operate the scheme on authority land. The benefit to the operator is the ability to generate revenue through being granted this permission to operate on the local authority land. Concession arrangements have the advantage of being much faster to set up whilst still ensuring that there is an open competitive process.

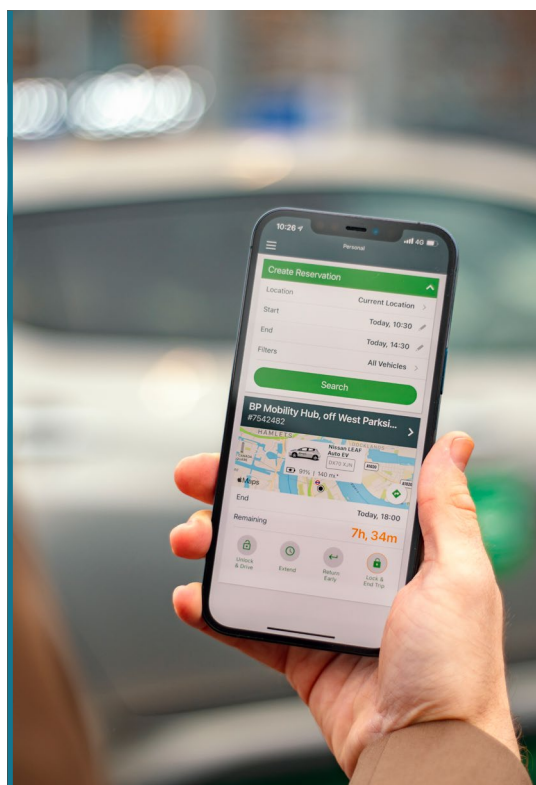
When developing concession agreements, it important to remember the principles explored above- in particular the need to allow operator flexibility and avoid overly stringent KPIs and reporting requirements. If a concession agreement is too onerous, an operator is less likely to bid for the opportunity to deliver the scheme as its revenue-generation potential is more constrained.

d Traditional services arrangement

Alternatively, local authorities may decide they are looking to procure a specified service, either for the authority's fleet requirements alone or a wider service with set fleet numbers, locations, type and measured performance indicators. If the authority is expecting ambitious coverage from the start or a higher percentage of electric vehicles, then funding will be required. In this case there would be a requirement for appropriate levels of support to deliver the service as the authority is specifying requirements for the service rather than leaving this to the operator as under the concession model. In contrast to a concession model, under a services arrangement:

1. the operator will charge the authority for providing the scheme and have more certainty over payment (as this is provided by the authority under a management/operation fee rather than subject to the revenue generated from scheme uptake/customers)
2. the authority could retain some revenue generated from scheme use (e.g. through permit fees). The extent to which this is done needs to be carefully considered to ensure the target policy objectives are achieved to their maximum and that the service remains commercially sustainable

3. the operator does not bear operation risk and is not exposed to the unpredictability of the market as it receives a guaranteed payment from the authority



Enterprise Car Club

e Service contract routes

The type of procurement route will need to reflect the authority's requirements and funding. A funded specified service will require a PCR 2015 procurement process, while a concession contract will be subject to a lighter touch process and is more appropriate when an authority is not in a position to fund the scheme and

is instead granting permission to use the on-street spaces. In addition it is important for the contract to be fit for purpose and specific to car club operations. Sometimes contracts are released which have been based on the procurement of a different service which has inappropriate clauses.

An existing framework agreement

There are a number of organisations such as Crown Commercial Services ("CCS") and Scotland Excel who develop frameworks for products and services which authorities can choose to sign up to. E.g. Crown Commercial Services (Lot 7 car club specific and Lot 2 - car club and daily rental) provides a template agreement for car club services. If this meets all of an authority's requirements, then an operator's services can be procured without the authority having to conduct its own procurement process. Most national operators are on the CCS framework.

The advantage of accessing a framework is that an authority is not required to conduct its own procurement process to select an operator. Accessing a supplier through

a framework saves time and money – providing the framework covers the range of services an authority wishes to procure. Authorities can supplement the CCS terms with their own requirements, using the framework as a 'foundation' on which to build a requirement providing flexibility.

The framework is renewed every 3 to 4 years so it is important to check that the framework and permitted flexibility covers all requirements. As with all routes it is recommended that market testing is used to ensure the appropriate tool is chosen for an authority's needs. It should also be noted that there are fees for the operator associated with this route which can vary between 0.5-1%.



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If the options outlined above are not suitable to an authority, for example if an authority has sufficient funding to contribute towards a scheme; and, as a result would like to exercise further control over how the scheme is operated, the authority will be required to conduct a procurement process pursuant to the PCR 2015.

There are a range of procedures under the PCR 2015 from closed (i.e. non-negotiated) procedures to negotiated procedures (such as the competitive dialogue and competitive procedure with negotiation) which allow authorities to negotiate with bidders during the procurement process. It is likely that authorities will want to make use of one of the negotiated procedures in conducting a PCR 2015 procurement process to take advantage of the ability to negotiate the draft contract during the process. This is particularly the case considering that the authority's requirements may need adaptation of an "off-the-shelf" solutions.

The typical stages involved in a negotiated procurement procedure are as follows:

1. Contract notice advertising the opportunity is published in the Official Journal of the EU (referred to as "OJEU") and the authority's preferred online Portal (e.g. Bravo or ProContract) inviting bidders to submit a Selection Questionnaire ("SQ" - formerly known as a "Pre-Qualification Questionnaire" or "PQQ") which assesses past performance and regulatory compliance;
2. The authority assesses SQ responses and shortlists 3 or 4 bidders to which it send an Invitation to Tender;
3. Bidders submit initial tenders and negotiate/dialogue with the authority to develop their proposals;
4. Bidders submit final tenders following rounds of negotiation/dialogue;
5. The authority evaluates tenders, identifies the highest-scoring tender and seeks internal approvals to make an award to that bidder;
6. The authority notifies bidders of the outcome in a contract award decision letter (also referred to as "standstill letters") which set out the reasons why a bidder has been unsuccessful and the date on which the mandatory 10-day standstill period ends;
7. Following expiry of the standstill period, the authority and successful bidder finalise the contract and scheme commencement takes place after an initial mobilisation period.



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f Advantages and disadvantages of concession and services contracts

The procurement route is strongly linked to whether funding is available for the scheme. If it is then a service contract will be required, while a concession contract is more appropriate when an authority is not in a position to fund the scheme and is instead granting permission to use the on-street spaces.

Concession contract

Advantages

- + Is favoured by operators where there is no management fee to enable more flexible management of the service to react the unpredictability of the market.
- + It makes it easier to introduce additional operators into the area, and competition within the market may bring down prices.
- + It can be a faster process from initiation to mobilisation with a lower administrative burden.
- + It can provide a more flexible arrangement where services can be adapted to changing circumstances.

Disadvantages

- If the agreement is not with a single operator for a fixed period of time, there may be less operator confidence in investing in the contract and region.

Services contract

Advantages

- + It can create a more formalised relationship between the authority and the operator(s) and commits the authority to using a single operator for a fixed period of time giving the operator confidence in investing in the contract and region and increases its chance of the scheme's success.
- + If an authority has funding, this route allows it to detail the specification and exercise control over the operator through incorporation of obligations in relation to the operator's performance in the agreement.
- + Is favoured by operators where it provides certainty of payment through a management fee rather than the operator being subject to the unpredictability of the market.
- + It may provide a more detailed process of assessment and comparison or value for money although this can be incorporated into the development of a concession agreement also.

Disadvantages

- A negotiated procurement process can take longer than a concession agreement. It increases the administrative burden to the authority when setting up a scheme. It is important to allocate sufficient officer time and engage external support (e.g. consultants and lawyers) at all stages to minimise delays.
- The detailed specification risks being too rigid and tying operators to ways of working which are not in the best interest of the scheme (though this can be mitigated through the inclusion of variation mechanisms in the agreement).
- It may commit the authority to using a single operator for a fixed period of time if KPIs are met. It makes it more difficult for a competing car club to get established in the area, and competition within the market may bring down prices.

g Procurement of multiple operators

If an authority decides to deploy more than one operator in their area then it is recommended that concession agreements are awarded to each service provider on a non-exclusive basis. Additional operators may be engaged in future, when required, rather than waiting for an agreement with a particular operator to expire.

As bays and permits become available, each operator can apply by selecting favoured locations in a hierarchy so that each can be given at least some of the priority areas. Some cities split their bays/permits into zones with different levels of potential profitability, asking operators to select evenly from each to ensure better coverage.

CoMoUK recommends allocating new bays or permits on according to quality rather than price to reward those meeting or exceeding KPIs such as:

- membership numbers
- customer satisfaction
- conversion to electric vehicles (subject to adequate available charging infrastructure)
- cooperation with the council

With an annual review of performance, new bays and permits could be allocated proportionally on this basis. Poor performance could ultimately lead to a reduction in the number of bays and permits. In addition, the price of the parking permits could be linked to performance although offering fixed costs allows operators to plan budgets in advance.

This approach could be particularly useful for managing the conversion to electric vehicles with many factors being out of the control of the authority and the operators. If the wider conditions are favourable at the annual review period, the target could be increased. If there are barriers, they could be temporarily reduced. Competition would increase operator commitments and the annual planning period would ensure they are deliverable.

An outline system for this approach is provided in appendix 1.



Hiyacar

Accreditation

CoMoUK recommends working with operators which are currently certified by the accreditation scheme. Accreditation ensures a collectively agreed set of standards is upheld across the industry to maintain the reputation of shared transport schemes. The criteria have been carefully chosen to provide a robust framework whilst not stifling innovation, through consultation with stakeholders.

The current list of accredited operators are available on the CoMoUK website¹ but as new operators are entering the market

all the time contact info@como.org.uk for recent changes.



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Evaluation

It is important to allow bidders 6 weeks to respond to opportunities – using too short a time to respond to opportunities may mean that high quality operators either have to rush their submissions or miss the opportunity altogether:

- There is a danger in placing too much weighting on price vs quality of the proposal which may result in operators being required to cut corners and not deliver the best quality scheme. A price weighting no greater than 20% is recommended to ensure the emphasis is on quality delivery.
- It is important to keep the scope of the project as open as possible to allow operators to tailor responses from their experience and offer additional innovations.
- Ensure that the pricing evaluation model has a metric which allows for comparison of potentially different models. It is a key element of public procurement law that authorities must compare “apples with apples” but there are different approaches adopted by the market. If an authority takes the time to develop this, through market testing, before it advertises the opportunity to the market, it will ensure that it does not trip itself up during the evaluation process.
- Procurement options should take account of the Government measures to ensure the delivery of value to society through public procurement, (January 2021). These include the assessment of a suppliers’ social impact.²

Retenders and agreement reviews

Retendering for an operator allows an authority the opportunity to review the terms of their agreement and makes sure that both the authority and the members get the service required and best value for money. It is also an opportunity to assess if whether a concession agreement is more appropriate and whether one or more operators can best help meet the authorities’ objectives.

In the event that an operator ceases operations or withdraws services from a specific area, under CoMoUK accreditation, operators must give their members two months’ notice if this is practicable. Operators have agreed to work with CoMoUK to bring forward offers to give members the option to transfer to another service.

¹ <https://www.como.org.uk/shared-cars/accreditation#accredited-car-clubs>

² <https://www.gov.uk/government/news/new-measures-to-deliver-value-to-society-through-public-procurement>

Summary recommendations

Car clubs can help to address many difficulties cities face, from congestion and air quality to transport poverty. As far as possible car clubs should be seen as a key part of the public transport system and be integrated into strategy and funding plans.

- 1. Improve the eco-system for car clubs** - Use all available policy levers to improve the eco-system for car clubs to flourish. Create the right environment to support low car lifestyles by improving public transport, and cycle infrastructure, shift to higher density housing with restricted parking and provide a network of high profile spaces for shared cars with adequate access to electric charging.
- 2. Support the promotion of car clubs** - Actively support the promotion of the car club through all authority channels, scrappage schemes and work with the operator and community groups to break down barriers to uptake.
- 3. Research the right mix of sharing models** - Select the right mix of models of sharing, back to base, one way hire, peer to peer sharing to the local conditions through a research and market engagement. Consider working with multiple operators in larger conurbations.
- 4. Select the appropriate procurement route** - Where the supplier is being invited to operate in the area without funding the scheme they are taking the risk for financial viability and a Concession Contract is a more appropriate the procurement route. If funding is being provided then a Services Contract is a better fit.
- 5. Work with CoMoUK accredited operators** - CoMoUK recommends working with operators which are currently certified by the accreditation scheme.
- 6. Deprioritise the price vs quality balance** - A common problem to avoid in creation of the evaluation criteria for bids is placing too much weighting on price vs quality of the proposal which may result in operators being required to cut corners and the opportunity not being economically viable for some operators to bid.
- 7. Utilise bespoke advice from CoMoUK** - CoMoUK can provide bespoke advice in the development of car club strategy.



Zipcar

Appendix 1: System for managing multiple operators and allocation of bays

Below is an example of how any authority could manage the allocation of bays between multiple operators. It outlines a number of criteria which could be considered.

Authority x are opening an opportunity to car club operator to apply for an allocation of x additional parking permits. Existing operators will continue to retain their existing allocation of bays and permits.

All permits will be subject to an annual renewal process.

Initially none of the new permits will have allocated parking bays although the authority will seek to convert a percentage to fixed bays with electric charging within the first 12-24 months. Approximately X% will be allocated to back to area car club operations. The remainder can be applied for by operators as one-way car club permits.

CoMoUK accredited operators can apply requesting:

- The number of parking permits required.
- Preferred locations from the list of wards/ locations -listed in priority order.
- An indication of whether they would operate a back to area or one-way model.
- An indication of the type of vehicle they would deploy, (petrol, EV, hatch back, van etc). Commitment for EV conversion of 12-18 months and requirements to enable this.
- Marketing plans and a projection for membership numbers in first 12 months. The authority also welcomes proposals from operators for joint marketing ideas.
- Evidence of customer service ratings.
- Commitment to innovation, product testing and partnership working.

Prior to the 12-month anniversary the authority will hold review meetings and set out the renewal process and options for expansion.

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