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Car clubs: lessons from the Netherlands and San Francisco

*Car clubs are now attracting support from a number of organisations in the UK but as yet no real champion has emerged. **Marcus Enoch** argues that the lesson from the Netherlands and San Francisco is that national or local government support is critical in helping car clubs to get established.*

The concepts of sharing cars and of renting cars, have been around for many years. But it was only in 1987 that the first relatively large and successful pay-as-you-drive 'city car club' – a combination of these concepts – began operating in Switzerland. Schemes then spread to Germany, Austria and the Netherlands.

Also known as car sharing schemes in north America and continental Europe, city car clubs or car share clubs offer members access to a vehicle without ownership. Studies show that compared to car ownership, city car clubs reduce the need for car parking spaces, congestion, noise and air pollution. City car club members are also less dependent on the car, and use public transport, walk and cycle more. In addition, they offer access to cars for people too poor to buy one, helping to reduce social exclusion.

More recently, city car clubs have been established in Denmark, Italy, and Sweden, as well as in Canada and the USA. In Britain, as of August 2001 there were about 450 city car club members, using around 70 vehicles in 15 clubs. The largest of these was in Edinburgh while other schemes are in place at Manchester Airport, in Bristol and in Oxford. City car club growth in the UK is also set to be further boosted by a number of financial grants being made available from the Countryside Agency's Vital Villages scheme, and the New Opportunities Fund SEED grant programme of the Royal Society for Nature Conservation. In addition, £100,000 has been given to the Community Car Share Network by the Department for Transport, Local Govern-

ment and the Regions to expand its information programme. It looks like we will soon need to drop the 'city' from car clubs. Indeed, although the city may be the pioneering area for car clubs, mature schemes have spread to towns, villages and the countryside. Today, half of the population of Switzerland is within a ten-minute walk of a car club vehicle space.

The need for support

Throughout the world, car clubs have developed (and are still developing) in a number of ways. Some schemes are community-level, with only one or two vehicles, while others are national organisations with many thousands of members. And some schemes are run by volunteers and are non-profit making, while others are commercial ventures run by international companies.

Although there is no single 'successful' model, the vast majority of schemes face similar problems in becoming 'successful'. One major barrier, has been the lack of involvement or support from local and national Government¹. Given the potential benefits of car clubs to deliver environmental and social improvements, this is somewhat surprising. As experiences of car sharing in practice spreads this situation has begun to change, and there are signs that Government attitudes across the world are more enthusiastic to the idea of encouraging car clubs.

Support needs of Car Clubs

- There are a number of ways that Government agencies can support car clubs, namely:
- Intellectual backing



- Political support
- Provision of 'usable' parking spaces.
- Funds to help the club buy and run vehicles.
- Financial and organisational help to market schemes effectively.
- Links with public transport operators, so that new ticketing, information and marketing products can be developed.
- Tax breaks for car club users and/or operators.

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- Finally, alterations to the planning code to allow developers to reduce the parking they are required to provide in return for help with any of the above.

A national framework in the Netherlands

At a national level, it is the Dutch Government that has been the most instrumental in providing a supportive environment for car clubs to develop. This was motivated by a desire to address the problems of congestion, emissions, noise and lack of land for parking. By the early 1990s, the philosophy that you 'don't need to own a car to drive a car' was taking shape. The original idea was to develop a 'call a car' concept, where a user could telephone for a car and have one 30-60 minutes later. To develop this, the Ministry of Transport began negotiating with mobility providers to work out a suitable framework.

The result was the independent 'Stichting van Gedeeld Autogebruik' – Foundation for Shared Car Use – which was formed in 1995. The Foundation differs from most other organisations, as it is supported by Government to push the Government in a particular direction. In practical terms this has sometimes meant that it has used Government money to hire a lawyer to oppose the Government. Overall, the Foundation does not 'deal in wheels', rather it makes it possible for providers to 'sell kilometres'. While negotiations with the Government are ongoing over targets, the current aim is to generate 400,000 city car club members over the mid-long term, compared with 5,000 now. This organisation is important because it links municipalities, the market and consumers, which has allowed a whole network of car sharing clubs to

be set up across the Netherlands.

The first key barrier facing car clubs has been ignorance of what they are and what they are for. To address this, the Foundation stimulates research, lobbies for support, conducts campaigns and spreads the word. It also established the Autodate car club standard. Whereas all other options (taxis, car rentals, car pooling etc) have negatives when compared to the car, Autodate must be available 24 hours a day, seven days a week, although how these criteria are met is up to the provider.

At a tactical level, provision of 'usable' parking is the major area where car clubs say they would appreciate support. There are several ways that this can be offered. These range from providing parking (along with 'protection' of those spaces) to car sharing, through providing the spaces alone, giving parking permits and discounts for parking permits, to just giving priority to car sharing clubs for any spaces that become available. In addition, local authorities can encourage developers or private parking companies to provide parking spaces for car sharing organisations.

In the Netherlands, there are national guidelines allowing car club vehicles to access on-street sites, and special signs have been drawn up to indicate areas where car club cars may be parked. One national car club company Greenwheels has worked closely with municipalities and national government for over four years, and now has over 200 kerbside parking spots in 14 cities that are enforced by municipalities. In addition, the Foundation helps lobby and convince local authorities that providing city car clubs with spaces is worthwhile. This can be difficult, as parking spaces are a good source of revenue for local councils,

whereas city car clubs are not yet cash generating.

Financial support for car clubs has usually focused on start up grants for buying and operating vehicles, plus financial and organisational help to market the scheme effectively. In the Dutch case though, the Government does not 'give cash to exploit cars', as it cannot be involved in altering the market. However, the Foundation has supported car clubs by persuading local councils to use city car club vehicles as pool cars, and has provided experienced staff to help them set up car club schemes in their areas.

Tax breaks are another form of financial support. In Oregon in the USA for example, energy conservation legislation incorporates tax credits that are designed to provide tax incentives to businesses that carry out certain energy-saving activities, which include car sharing. While specific tax breaks for city car club users have not so far been enacted in Holland, there are tax advantages to car sharing in the Netherlands. One is that for company cars, the employee pays 25% tax of the value of the car if they drive too many private use kilometres in a year. However, after lobbying by Foundation two years ago this doesn't apply to car club cars. While conventional company cars are liable for VAT, companies whose employees use car club vehicles are not. This is because the contract is between the company and the city car club, and therefore the company is able to reclaim its VAT as it is not the end user – the employee is.

As for integrating the car club mode with other forms of alternative transport, Dutch National Railways has a reciprocal arrangement with mobility provider Greenwheels. Under this, Greenwheels members get discount for rail trips and frequent rail users get discount on Greenwheels membership. To support this, Greenwheels is aiming to establish car share networks at each of the 39 inter-city main stations in the country. There are also several local schemes in the Netherlands. For example Autodate customers in Rotterdam are eligible for discounted fares on RET services, while frequent RET riders are able to join the Autodate scheme at a lower rate.

A favourable planning environment is a further way of supporting car clubs. One Dutch car free housing project that has included a car club within it is the 600-unit GWL-terrein project in the Westerpark district of Amsterdam. This is located about 3km from the city centre and was completed in 1998. The streets surrounding the development



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are controlled parking areas, and residents of the development are ineligible for permits. Around 10% of households have joined the Autodate scheme.

There is also a desire by the Foundation to see car share clubs as part of building neighbourhoods. For instance, the Liedsche Rijn on the edge of Utrecht city centre, will house 100,000 people on completion in five years time and has been designed to be car share club friendly. The site is the largest in the country and will incorporate the concept of mobility centres, where Autodate, bus and taxi stops are located near to people's homes. Overall however, developers are not really that involved in supporting car clubs in the Netherlands.

Finally, the Foundation has also encouraged informal car sharing in rural communities. Here it provides contracts, technical help, financial advice and suggests how partners calculate and share costs. It also made a deal with insurance companies where the 80,000 registered members of the database can get more people insured per licence plate. This has proved popular, and 1500 people have taken this offer up since the scheme began two years ago. In general, two to three households share a car, but in one case 18 people share a car, and in another 35 people share three cars.

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Local support in San Francisco

Perhaps the local scheme that best exhibits the support functions in practice, is in San Francisco. Here, the San Francisco City Car Share only began operating on 1st March 2001, but by August 2001 the not-for-profit organisation already had 25 cars for 625 members.

San Francisco City Car Share works very closely with the City Council. Firstly, the City acts as the delivery mechanism of a Federal Government grant of \$US750,000 (€863,000), and keeps track of how the money is being

spent and how the scheme is performing. Secondly it provides parking for free – quite a gift when spaces are rented at \$US200-\$US500 (€230-€575) per month. Third, it helps deal with the media, promoting the scheme, etc.. So far the car parking spaces are all off-street, due to not enough spare on-street capacity, but when the car club expands into Berkeley and Oakland there will probably be on-street spaces too as parking is not as scarce.

On the planning front, the City adopted a resolution in the autumn of 1999 to incorporate car clubs into the planning codes, although as yet this has not happened. Currently, the car club works with developers on a case by case basis. As there is quite a lot of opposition to new development by neighbouring sites across the city, it is relatively easy for the car club to make the scheme more palatable by using the car club as a reason to provide less parking spaces.

One example of where a developer and the City CarShare have worked together occurred in the Mission Bay area. This was formally an industrial site that is now been converted into a new residential neighbourhood. One particular 100-unit development of affordable housing is currently being built on top of shops and business units on the ground floor by the Mission Housing Development Corporation – a private non-profit organisation. Whereas the planning regulations called for at least 150 car park spaces – one space per apartment plus one space for a specified area of commercial floor space – only 96 spaces are to be provided. Three spaces will initially be set aside for the car club, although the developer is open to more being converted should the concept take off. One other innovative feature of the parking is that commercial and residential parking for the development has been combined.

Overall, the Dutch and San Francisco experiences illustrate that support from informed partners can help accelerate the development of car share club schemes, and make their survival more likely.

What appears to be the most appropriate form of support? The Dutch model is interesting because it combines a variety of local tactical measures with a strong, single-purpose, well funded 'advocacy' organisation. This ensures that there is appropriate support for local car clubs when they want local measures to be provided, but does not impose a standard package in all situations. This is important, because the needs of each car club, and

its uses, will vary according to location. Finding a 'local button' to push that provides the car club with a special attraction seems crucial – as the benefit of free parking has proved in San Francisco, or the insurance deal in the Netherlands.

So local support measures, particularly those that give car club users an advantage over other motorists, could be the key to success. But these need to be tailored to local situations while being consistently supported by a 'friend with clout'. In the UK, support measures for car clubs are somewhat limited, and no real champion has yet emerged to help them.

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1 At the European level too, support was relatively low key until the publication of the EC White Paper on Common Transport Policy in September last year, where car clubs are stated as being a promising integrated mobility concept for European cities.

