

Transport Committee

Oral evidence: [Car clubs and car sharing](#), HC 1259

Wednesday 3 September 2025

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Members present: Ruth Cadbury (Chair); Steff Aquarone; Dr Scott Arthur; Catherine Atkinson; Mrs Elsie Blundell; Olly Glover; Alex Mayer; Baggy Shanker; Rebecca Smith.

Questions 1–60

Witnesses

I: Richard Dilks, Chief Executive, CoMoUK; James Taylor, General Manager, Zipcar UK; Ali Clabburn, Chief Executive, Liftshare; and Sam Dewhurst, Head of Sales, Hiyacar.

Examination of witnesses

Witnesses: Richard Dilks, James Taylor, Ali Clabburn and Sam Dewhurst.

Q1 Chair: Welcome to this morning's evidence session of the Transport Committee. This is a one-off oral evidence session on car clubs and car sharing. We will be looking at how alternatives to private car ownership are evolving for people who want the convenience of a car. We want to look at what the environmental and social benefits might be, what factors affect their provision and take-up, what the position of Government is and also the position and role of local authorities. In summary, are car clubs and car sharing a potential future additional alternative to the owning and use of private cars in order to facilitate modal shift?

I will ask the panel to introduce themselves, starting with Ali.

Ali Clabburn: Good morning, everyone. My name is Ali Clabburn, I am the founder of the UK's carpool network Liftshare.com, and I am chairman of Mobilityways, a social enterprise that helps decarbonise the community.

Sam Dewhurst: Good morning, everyone. My name is Sam Dewhurst. I am head of sales and public sector at Hiyacar.

Richard Dilks: Good morning, I am Richard Dilks. I am chief executive of CoMoUK, and we are the national charity for the public benefits of shared transport.

James Taylor: Morning, I am James Taylor, general manager at Zipcar UK. We are the largest car club operator here in the UK.

Q2 Chair: Welcome to you all. Could you, in turn, explain the main types of car or lift sharing, what they are and how they differ from each other?

Ali Clabburn: Our focus is on carpooling, which is when two or more people travel together to a similar or the same destination. There are lots of different types of carpooling. There is informal carpooling that 70% of adults do, where you share with a friend or colleague and you do not really think about it as being carpooling. Then there are more formal types of carpooling normally organised through either employers or events who help their staff or communities to share cars to get to that site for a number of reasons, whether that is to solve parking problems, to increase recruitment—many reasons. It is basically two people sharing a car to get somewhere.

It is different from ride sharing, as in taxi sharing, because no profit can be made from it, you can only split the cost, and you don't need to own a car to carpool. You can either be a driver or a passenger, or you can take it in turns.

Sam Dewhurst: Hiyacar is the only provider of all modes of car sharing on our platform. We cover car clubs, our own vehicles on the side of the road in different local authorities, where people can rent by the hour, and then we offer peer-to-peer car sharing, which the easiest way to explain



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for everyone here is as Airbnb for cars. If you have a car sitting on your driveway that you are not using Monday to Friday, you can rent it out to your local community or to anyone on the Hiyacar platform, and you keep all the revenue from that.

Then we also do services for corporate car sharing. This is around mainly local authorities or NHS trusts who are operating a pool car sharing scheme that can also be shared with the public when the vehicles are underutilised. That is all about reducing grey fleet mileage, which is people using their own personal vehicles for work mileage. That is a big issue we try to solve.

Richard Dilks: I would add to that the small but important number of very small, community-based car sharing schemes in the UK. These schemes have just a handful of cars, usually in single digits, and they are typically in rural or semi-rural areas. They are typically reliant on volunteer time and are often charities or social enterprises by structure. The car club is the most established form of car sharing in this country, and we have been researching it for 15-plus years now. Peer-to-peer has come along more latterly. We think it is important to understand and get the most out of all forms, and to understand how important it is to integrate them with each other and not treat them in silos.

James Taylor: We have two forms of car sharing at Zipcar. We have the traditional back-to-base, the more common model that has been around for longer here in the UK. That is dedicated parking bays on the streets where you pick up and return the vehicle to the same location.

We also have free floating, which we call our flex model, and that is where vehicles can be picked up and dropped off anywhere within an agreed area. That is more akin to maybe the European model. They are probably the two main models of car sharing. There is also return to area, which is less common but, again, a bit of a hybrid of the two where, rather than bringing it back to a dedicated space, you bring it back to maybe a number of streets, so a defined area in that respect.

Q3 **Chair:** This is for each of you, unless somebody says what you were going to say. In headline terms, what are the key benefits of car sharing in its various forms?

James Taylor: I think there are a number. What we see from our member surveys is that, when they join, they change their travel behaviour. When you own a private car, you default in most cases to using that car. You have sunk those costs in the car, you are not seeing the true cost of that trip. When you switch to car sharing, the cost of the trip is shown at the point of purchase, so you can see what that trip is costing you, which helps people make different decisions—informed decisions.

They may choose to take a car share because they have heavy luggage to transport and it is a convenient trip. They might say that, actually, it is



too expensive, “I am going to take a bus, I am going to walk or I am going to cycle,” and we see that real modal shift, so more people walking, cycling, using public transport, and using car sharing for those ad hoc trips where a car is needed.

Something like 77% of car share members in the UK drive fewer than five times a year in car sharing, so they are ad hoc car users, but it is a vital service that we have a vehicle there for those trips when they need it. If you think about a private car, it probably sits underutilised 95% of the time. All the space those cars are taking up can be replaced by moving to car sharing. Again, we see that as a key benefit that removes private cars from the road.

Again, from the survey—and I am sure Richard will give more detail—when members join, they are selling their private car or deferring purchase of a private car. Those are two key benefits.

Q4 Chair: Vans are your other offer. Is that a coincidental part of the business? Does that have a policy advantage or a wider benefit?

James Taylor: It does for businesses. Again, it is a large part of our offering to SMEs, start-ups and, like Sam said, local authorities and councils. It has a key role to play. It is the same model, rather than having lots of businesses with individual vans or a number of businesses that use one van. It also has an impact on consumers. People moving house, renters and so on. It serves all those purposes. It is about having the choice of options so that we have the right vehicle for a member when they need it.

Richard Dilks: Benefits are something we research in depth. I won't regurgitate all of that here, but I will try to give you some highlights. There is a key one around equity and vehicle access on a socioeconomic basis. We survey thousands of car club users and get data from all the operators each year, and we compile that into a report. The most recent report found that 50% of users would not have been able to make their trip without using a car club car.

Typically, these are trips that are hard or impossible to make by public transport or active travel—there is also a very strong link with public transport and active travel. Each year we have done this research, which now goes back more than 15 years, we have consistently found that car club users are very substantial public transport and active travel users—far above the national, regional or city average, when we have looked at it on that basis, in Scotland, Wales and so on. It does not matter how you slice it, there is the same basic point, which I think is a really important one to understand.

It filters into car-sharing operations' commercial tests. The sorts of things they look at are the state of an area's public transport provision, the state of active travel infrastructure, the percentage of private car



ownership per household. They look at all those key metrics because they go straight to how users behave.

There are other benefits. Cost savings to users are important, and that always comes up as a significant factor for people. If you are making occasional use of it, as most people do and as James cited, membership is almost certainly a massive financial saving versus buying or leasing your own car. That increases still further if it is an EV, which are even better value to get your hands on via car sharing.

James has already spoken about reduction in ownership, and I would point to the reduction in mileage that we typically find. This is a really important finding if we look to the country's performance on net zero, where every piece of modelling available shows that you need to reduce car mileage as well as simply transitioning to zero tailpipe emissions. You do not get the numbers without modal shift and without mileage reduction. Car clubs play an important part in that.

There is also something important about choice. Some people have choices in their lives, and that is the general basis on which people interact in consumer markets. The range of options represented at this table gives people a really important choice alongside public transport, active travel or perhaps owning their own bike, which is common in the bike-share world. I think it is an under-understood, underprioritised or secret weapon, if you like, of transport's journey to decarbonise and give people access to sustainable modes at low cost.

Q5 Chair: Is there any bleeding between use of car clubs and use of cabs, or are they for completely different journeys?

Richard Dilks: That is a good question. We do look at that. It is also a two-way street on that one. Taxis have quite a high replacement factor by car club trips—24% of trips would have been by taxi if they had not been by car club but, on the other hand, car club users do use taxis quite a lot. I think it is fair to say that is another tool in the box for them.

Sam Dewhurst: Richard covered a lot there. He has all the stats, but I don't think he mentioned the reduction of vehicles on the road. Exactly how many vehicles does a car club vehicle replace?

Richard Dilks: Sorry, I should have put that in. Twenty-seven cars is the national average, and 31 cars in London. That is how many private cars are displaced per car club car.

Sam Dewhurst: So there is a huge benefit regarding congestion and air quality. We are trying to increase the number of hybrids and electric vehicles in car clubs. We will probably go into the hardships of introducing electric vehicles into car clubs a bit later, but we have your emission reduction there. I will touch more on corporate car sharing, of which we are a big advocate, especially in the NHS. We do a lot of work there. It is more about reducing grey fleet mileage. The average grey



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fleet vehicle is roughly eight years old, and about 157 grams of CO₂ per kilometre. Where corporate car sharing comes into it is that you can introduce a fleet of electric or hybrid pool vehicles that staff can use so that they do not have the cost and emissions of using their own vehicle. You cannot tell staff what vehicle to drive, but you can implement policy for them to use pool vehicles and use a system like we provide.

You can actually save a lot of money for a local authority, a trust or any organisation, rather than paying mileage reimbursements. For the NHS, that is 59p a mile at the moment. You can run an electric pool car with our platform at around 32p or 33p a mile. That is a significant saving. One trust we work with across Norfolk and Suffolk saved around £60,000 and around 20 tonnes of CO₂ in year one just from using our platform, introducing a new way of sharing vehicles. That also encourages a reduction in the use of taxis and rental vehicles, which are often not electric, because you are sharing the fleet between departments.

The NHS trusts and local authorities we mainly work with work in silos. You have vehicles that are not shared between different teams. HR probably won't share IT's vehicles; clinical staff probably won't share corporate staff vehicles. The cost and the emissions are crazy. When you introduce corporate car sharing, you have a huge reduction in costs and CO₂.

That probably covers a different side of what James and Richard have gone into.

Ali Clabburn: Carpooling has many benefits, shown by the fact that, without it, there would be 30% more traffic on the road today. It is really important, and it is very under-considered. Individuals save money, as you basically split the cost between two of you. Our average member saves £1,000 a year by sharing their commute. That is a lot of money. It is like having a big pay rise. You are clearly reducing emissions. The average member saves just under a tonne of CO₂ a year, about 10% of their total emissions, just by carpooling.

It improves access. A lot of our clients set up Liftshare schemes for their staff to help improve access into sites that have poor public transport services. It helps reduce exclusion, it helps reduce loneliness. If you ever share a car with somebody, you find you chat a lot more than you do when you are sat on your own. You save time compared with many of the other options. It is typically door to door. A lot of our members use it for accessibility issues. A lot of people with disabilities can use it to get door to door. It is well used because it has many benefits for businesses.

Businesses save a lot of money on parking, on staff absenteeism, on people coming in on time. They reduce their emissions, and they can track how their emissions are doing. A big reason right now is improving recruitment and retention. Lots of companies are struggling to recruit staff, particularly since the pandemic, and by having a carpooling scheme they can help access to get many more people on to their sites.



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For Governments, it supports growth, reduces congestion and provides access. It ticks many of the policy boxes, yet there are no policies to support it. It is a win-win. It works well in rural areas as well as urban areas. More people typically carpool in rural areas because of a lack of other options, but it works just as well in urban areas. We have as many members in urban areas as we do in rural.

It is low cost, it is high impact, and it can be done tomorrow. There are empty seats in every car on every road tomorrow, or today even, that could be better used with the right policies and support.

Q6 Dr Scott Arthur: Sam, thanks for introducing me to the interesting concept of grey mileage. If I understand rightly, in your example you are saying that the NHS has a car that people share. I understand the point that a worker's car may be older, and all those other issues, but the reality is that the worker may well be bringing their car to work only for it to sit in the car park all day, and then use a car that might not otherwise have been manufactured. If we take a look at this in the round, on the carbon footprint and so on, is it not better to use the grey miles than manufacture and buy a new car?

Sam Dewhurst: We have information on Royal Free NHS Trust in Enfield, and we are seeing that a lot more staff are becoming a one-car household. Their partner might take their car to work, take their children to school. They are using public transport, walking, active travel. They have booked a pool car in advance, and they know that pool car will be there. They do not have to go to pick up a key, as it is all keyless access. They are going to site and picking up that vehicle. A lot of these NHS trusts and local authorities have multiple sites, so up in East Lothian, in Scotland, they have one central site, with a lot of their staff living in market towns. They have placed pool vehicles in those market towns so that staff can walk to a local community centre, where the vehicle might be stationed, and then access that vehicle to do their visits or whatever they are doing, rather than driving to the centre.

Yes, I take your point, and it is probably not the case that everyone uses active travel or public transport to access a pool car, but we try to actively encourage locations where staff have high grey-fleet mileage. So moving vehicles to where they might not traditionally be, to different sites, where the staff actually live, so they can use different transport methods.

Chair: Certainly in outer London, in my borough, a lot of staff commute from all over by public transport, but they need a pool vehicle to do their site visits more locally. It makes a lot of sense.

James Taylor: I think the other point to make on business and NHS use is that where it works really well is where it is dedicated to the NHS trust or local council from Monday to Friday, with the vehicles being made available to the public at the weekend. Car sharing is predominantly leisure but we have a business side of it, so raising that utilisation



midweek, making vehicles available to the public, means you have that broader benefit, as the public who use it are also giving up their private cars.

Sam Dewhurst: James offers a slightly different model, but it is important to say that we don't have to provide cars. I don't know whether Zipcar provides technology only, but it can use the existing assets that a trust, council or organisation already has and fit the technology to be able to share those assets with staff and the public. All the insurance and everything is covered, so you do not always have to provide an asset that is more expensive than the public sector can usually get for itself.

Chair: A good answer, quite a few good answers.

Q7 **Steff Aquarone:** We have heard a bit about the behaviour of typical users, but who are they? Are they all smartphone-toting millennials? What demographics are doing this stuff, and how much of it is happening?

Richard Dilks: On how much of it is happening, we measure that twice a year. The March 2025 stats are our latest: 883,594 total users. That is the total number of people registered with a car club. That does not include peer-to-peer or the world of lift sharing. Of those, 328,539 have used it in the last year. You clearly have people who carry a membership on a "I might need it" basis, and Zipcar has some categories of free membership, which explains part of that.

That is substantial growth. Usership is up 58.9% in the last five years, but we are a long way off the best-in-class countries in the world. Germany, Belgium and Switzerland all come to mind. We have about 6,000 vehicles in the car club fleet across the country, which is cars and vans—the majority being cars—but Germany has 43,000. Germany's population is a bit higher, but it is not that much higher. That gives some sense of the scale.

Who are they? It is actually very evenly distributed. We measured it across the income wheel. It is well spread across incomes, and we can supply more detail on the specific segments. Quite surprisingly, in a way, it is also well spread across the age wheel. It peters off by 65-plus, but up until then, it varies by what age restriction might be in place. It is typically 21, sometimes a little higher, so from there on upwards.

Q8 **Steff Aquarone:** If anyone has anything else to add on those questions, it would be welcome. Is there any disparity regarding geography? Is this just a city thing? Is that changing?

Ali Clabburn: Within the Liftshare network there are 750,000 members. Obviously that is not as many as the 3 million people who carpool to work, but it is a significant number, and it is going up by about 3,000 or 4,000 a month. It is a large and ever-growing group of people. They do it for a wide range of reasons, mostly for commuting but also for going to



football matches, events or one-off trips at weekends. They are pretty much exactly 50:50 male and female. They are typically of working age because they are typically commuting, but they use it from 18—you cannot use a Liftshare below 18—up to a similar 65-plus.

Typical reasons for doing it are financial. Although people typically join for financial reasons, they keep doing it for social reasons. They find sharing is much more fun and much less stressful. You can sleep every other day if you are sharing a car, it is a really good thing.

The people who typically do not use it are policymakers. Policymakers typically walk, cycle or take the train in cities, and they are not the 6% to 8% of people who carpool regularly. Our challenge is often persuading people who would not normally use it themselves to think that this is actually something that is very popular out there and could be much more popular.

Q9 Chair: If they are policymakers, maybe they do not want to be lobbied in the car.

Ali Clabburn: Quite possibly. I do not know if you saw the news last week that a couple of quite senior people were lobbying each other. The other thing to say is that small changes in occupancy levels make a massive difference. When you think that 3 million people carpool to work, 1 million go by train and 2 million go by bus, more people carpool than use the other modes. Small changes in occupancy can therefore have a massive change in traffic.

People were told not to carpool during the pandemic, and we saw a 4% to 5% drop overnight in overall occupancy levels, and that has stayed. On the Liftshare network, we saw an 86% reduction in new people sharing during that time, and it is still way below where it was pre-pandemic because, unlike with buses, there has been no campaign to get people back into sharing cars.

Q10 Steff Aquarone: That probably answers my other question. Has that 3,000 to 4,000 monthly user growth, that inflection, been recent? Has that been sustained by the pandemic, or is it a phenomenon?

Ali Clabburn: Pre-pandemic it was higher, probably a third higher than it is now.

Steff Aquarone: The rate of growth?

Ali Clabburn: The rate of growth. However, also at that time there were local authorities all over the country that had Liftshare schemes. All that funding has gone. The number of local authorities supporting lift sharing is about a quarter of what it was 10 years ago. The number of employers with Liftshare schemes has flatlined. It is going up, but it is mostly the bigger ones that are doing it because of all the reasons stated. There is very little awareness or encouragement. Talking internationally, France is investing €150 million a year in carpooling. Italy now has a national



carpooling plan. Holland has a national carpooling plan. Here we have nothing similar.

Q11 Steff Aquarone: Back to the geography question, I am interested in each of your use cases, because the models are different.

Richard Dilks: I will try to give a brief overview. Car sharing, by volume of user, is predominantly an urban animal, but I am defining urban quite broadly, so certainly including suburban and peri-urban. There are really important opportunities to have greater coverage in those areas that have a natural viability but are currently stymied by the fact that the sector has no policy support, no significant financial support and lots of policies that are set against it—in fact, policy discrimination on top of no support. The sector is usually paying to operate, to boot.

That is a lot of hurdles to clear before you can think that you might not be making a loss as an operator. We could have more. It is an easy first step to get more coverage in those sorts of areas. It is also important to say that central urban does not work very well, because you have too short journeys that are too readily made by other modes that are less faff and less cost than taking a car club car. I am sure James will be able to come in, but the percentage of journeys across the very short platforms is always very low because it does not stack up for users to use it that way.

You then telescope out, if you like, into more rural areas. This is where we typically have that longer tail, because there is a very small number of big operators—too small, in my view. You have this longer tail of small operations. They play a vital role, but they have a very tough time. The odds are set against them, and they have also had an insurance crisis that has bedevilled the sector for the last half-decade or more, which has wreaked havoc and had a massive chilling effect. Things have improved a little, but the sector is still in a very bad way.

That is what we have now. Finally, again, it is important to look across the water. Other areas have coverage that is pretty well distributed across different density types. It will always be a struggle in the very least densely populated parts of any country, and the UK has quite a few of those. We are concentrated but also very rural at the same time. Other places are more evenly spread, which is easier, but none the less there is viability to be had in lots of different scenarios, only some of which we are getting at the moment.

Q12 Steff Aquarone: Viability. Insurance crisis. How is it affecting you, James?

James Taylor: From a viability piece, we currently operate in London. We are in pretty much every London borough—I think apart from two. Part of that, linking back to what Richard said earlier, is that London is very good in terms of the network of other options: public transport, infrastructure, cycling and walking. That is where car sharing works. It



has a good density of people. Particularly for our free-floating model, you need that density so people will rent the car and move it around.

Q13 Steff Aquarone: So the model essentially does not work in rural areas?

James Taylor: I do not think our model does. It is very much a city model. As Richard said, there are other things that can work in rural areas, but the key thing to remember is you need those alternatives. If you are switching from using a private car to making the same number of trips in a shared car, that will be more expensive from a car club perspective. You need to change your habits to using a shared car now and again, and then using other modes alongside that. That is where it potentially becomes a bit more challenging for the traditional car club model. In other models, peer-to-peer and carpooling work better in those rural settings, but certainly what we do is much more city-based.

Sam Dewhurst: We operate our car club vehicles only inside London. Peer-to-peer is UK-wide, wherever one chooses. The main spikes are Birmingham, Bristol, Manchester, Edinburgh and Glasgow, so major cities. We have some impact rurally. We have recently got some funding from different local authorities for running rural car clubs, but again we would not choose to operate there if we did not have the funding; it would not be commercially viable to do that.

The whole plan around rural car clubs is to get the funding, to get the marketing behind it, and then make it self-sustaining over a couple of years by getting a user base and getting people using it. That is the main thing we are trying to do around rural car clubs, but there is not a huge amount of funding to do rural car clubs everywhere. Peer-to-peer is much easier to do across the country because we do not have to do tech installs. We do not have to install our technology, you can do key handovers, similar to a lockbox on an Airbnb you might hire.

Yes, peer-to-peer is key, and then we do not have to invest in the assets. There are really no holding costs for us, and no holding costs for the user. To encourage it across the country, outside main city hubs, peer-to-peer is probably more the way to go, I would say. People might disagree but I would say it is probably easier for an operator to operate peer-to-peer outside that.

Q14 Steff Aquarone: Ali, I am guessing there is a difference between journey source and destination, because you might have lots of people going to some very random places if there is an event on there. What is the geographic distribution like in your business?

Ali Clabburn: There are some local authorities that have been supported for a long time, like Devon, which has 10,000 members. It has regular sharers every day, and it works really well. It has a tiny budget to promote it each year, but it has been there for a long time and is still going well. There are areas like Warwickshire that have lots of employer engagement. Lots of the big employers—the car manufacturers, and so



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on—have done a good job of promoting it, and they have thousands of people sharing every day. Scotland was doing very well pre-pandemic. It has dropped off a bit, but it was doing really well.

It is generally wherever it is promoted, so that relies on either someone hearing about us through our national network, through going to events, or through employers or local authorities. We work with a lot of NHS trusts now. One of the most exciting projects we are doing is up at NECA, where they are using BSIP funding to use some other tech that our Mobilityways company does to look at all the bus options of going to the big employers there. On the back of that, it is highlighting the huge potential for lift sharing as well.

It will hopefully lead to people taking note that there is huge potential for lift sharing to support the bus network up there, and then that could be replicated elsewhere.

Sam Dewhurst: One good bit of policy is section 106 for new developments. Section 106 has lots of different things, I am pretty sure, regarding parks and travel, and that is put on developers by local authorities to provide different transport options. Under section 106, if the local authority uses it, a lot of new developments are now required to supply a car club, either membership or actual vehicles. That is something that is seen a lot more in rural areas, seeing new car club vehicles pop up outside your major hubs, but it is all about local authorities imposing section 106 on the developer and then marketing that to the residents. That has been quite a good success for us from policy.

Q15 Chair: Ali, I want to clarify what you mentioned. I got half of what you were saying about the link with bus networks. As you know, we did a report on buses connecting communities, and we briefly covered demand-responsive transport. For people who can drive, or for carers who can drive people who cannot, is there an element of potential crossover with your offer and DRT, or can it be a form of DRT?

Ali Clabburn: Yes, it absolutely can. With all these things, it is about the critical mass of people going from A to B at the same time. If, rather than looking at specific modes, you look at vehicles and people, at what is the most efficient way to get people from this village to this hospital, or from this town to that place, and at what time. In one project we were doing recently at a hospital in a rural area, we analysed all of the staff, seeing how they currently travel. We asked them how they would like to travel. That came back showing that only 3% were coming by bus. Twenty-five per cent could come by bus, but the buses did not come early enough for them.

Now they are putting in earlier buses on the back of that data, but they are also introducing lift-share bays and promoting car sharing. All of that will help the buses get in and out of the hospital, because they have massive congestion. The two work closely together. It is important that



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they are not seen as competing, because buses need to go on routes that have high levels of population, carpooling can fill up all the gaps and get people to those bus networks too.

Q16 Chair: We are thinking about rural areas where even subsidised buses are not viable because the density of population is so low.

Ali Clabburn: Yes, when we were looking at Devon, the average cost of a subsidised trip when it was promoting carpooling was about 2p; for buses, it was £15.

Richard Dilks: The role of employment in all this is potentially huge, and several of us have touched on that from different angles. There are a number of examples of DRT schemes that started as employee shuttles, which in turn come about as employers desperately try to recruit—Ali touched on this point earlier—and often fail to do so, or recruit but cannot retain, because transport options to a work site are so poor. This particularly bites down in rural areas or on the very edge of suburban areas. There is a real opportunity for a holistic approach to be taken by Government and by employers by looking across all these different options.

Q17 Laurence Turner: This next question has been anticipated because you have already spoken to us about international comparisons and the UK's apparently poor performance. What other countries are doing it better? How does the UK compare in objective terms? We have already heard about some of the better comparators, but are there other similarly sized nations that are also struggling? Could you tell us a bit more about why you think the UK underperformed against some of those markets? Is it primarily because of policy and regulation, or is it because of population density or cultural factors?

Richard Dilks: If you look objectively at us, we are mid-table if you try to do a comparison of population size. I think we are mid-table despite the policy set we have, because we have no supportive policy and we have quite a few harmful policies. I think it is also fair to say that most of those comparator countries do not have a policy situation that is as unfavourable. They have fewer barriers and, in many cases, they have enablers. So the best-in-class performers, as evidenced already, are Germany, Belgium, Switzerland and perhaps Norway. They all have active policy plans, with relevant policies that are not just about car sharing and lift sharing but are about other things that relate to them, such as cost and availability of private car parking, for example. They have some teeth and some funding, and they are actively pursued alongside a public transport and active travel support programme, which is critical to understand. It is hopeless to just do something for car sharing and lift sharing on its own in a silo.

I think it is fair to say that our view is that we are at something of an all-time low, to be honest, on central Government's attentiveness to this area. It has never been great in the time of CoMoUK's existence, which is



a quarter of a century now, or in my six years in this role. We have no policy, and it is nowhere in any DfT documentation. There was a toolkit on lift sharing and a toolkit on car clubs, but both were summarily withdrawn a couple of months ago with no reason given.

There is no official in the Department working on these areas at all. This is not part of any Minister's remit. It is currently extremely difficult for us, as the national organisation, to get a meeting with DfT on this. We have just got one, but it has been many, many months in the waiting. There is an excessive lack of focus on this, and it is a shame in many ways because it has material impacts that we can see in our evidence, which of course then translates into impacts on people's lives. There are opportunities here, a lot of which do not cost anything. Some of them would, but there is a starter menu of things that are relatively simple to get going on, yet those opportunities are not being seized.

We are mid-table more by dint of efforts against the system than facilitation by it.

James Taylor: I think, because of that lack of policy, you get very fragmented provision.

Q18 **Laurence Turner:** Mr Dilks, when you said there are no officials currently working on this policy area, is it fair to assume that that was the case in the past?

Richard Dilks: The best I have had in my time has been a portion of someone, if you see what I mean, so it was one part of their role. Those individuals have always done their absolute best to engage with us, but the last of those went in the latest DfT restructure; that role was not replaced, it passed to their boss. That person then left and the role was not replaced.

I have a meeting in the diary with an official, whose job it is not, in a few weeks' time. I am sure they will do their best as well, but the problem is it is not part of any serious focus from the Department.

Ali Clabburn: I will cover it from a carpooling angle. When looking internationally, we were ahead of the rest of the pack, ahead of the world, for probably 10 years. France, from 2009 onwards, started growing. The President took great interest in BlaBlaCar, which is a French national scheme, taking it out to the White House as their darling of French innovation. Since then, the attention on carpooling in France has been significant, ramping up in recent years.

In 2022, they launched a national carpooling plan. In 2019, they changed their legislation to allow employers to give financial rewards to staff who travel sustainably. The same happened in Italy, in Holland and in other countries around the world. Whereas at the moment in this country, you cannot subsidise staff travel at all. The result in France is they now have



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a clear goal to triple carpooling levels by 2027. In Italy, they now have to measure carpooling levels, and it is the same in Holland.

They have a whole framework that has been introduced only in the last five or six years, but the impact is that France has gone from three main operators to about 30 now. The growth in the sector has been huge. The investment into it has been significant. They are taking a world lead, which is frustrating, because we were ahead. But we have had no policies to support us here. Therefore, the growth has not come.

Q19 Laurence Turner: That 10-year period that you mentioned, was that in the 2000s?

Ali Clabburn: That was 1998 to 2010. We had the first online carpool scheme in the world. Heathrow had the largest carpooling scheme in the world, followed by another motor manufacturer. Now there are other bigger schemes. Lots of local authorities in other countries actively engaging with it.

A key thing is we do not define carpooling here. It is not a mode of transport. You have public transport and private transport. We talk about walking, cycling, buses and cars, rather than walking, cycling or taking car on your own or sharing with someone. The passenger numbers when sharing are huge, and we do not talk about it in many policies, which is a massive waste.

Sam Dewhurst: A big thing around peer-to-peer, especially, is culture. Not everyone wants to share their car. We are a car-centric country. You might have a car sitting on your drive for five days of the week, but it does not mean you want some stranger on a platform to use it on a random Wednesday when you probably do not know where they are taking it to. A big education piece on that regarding the industry's marketing around the benefits of car sharing, as well as from local authorities, central and local government, would pay massively.

Yes, it is a culture thing in the UK. People love their cars. It is their car, their pride and joy, and they do not want some random person jumping in it, whenever, on a platform. It is education around the benefits of what car sharing can offer, such as the income to people sharing their car, but also the benefits of not owning a car and sharing someone else's. Again, a lot of it is culture, unfortunately, which we need to try to change as an industry.

Ali Clabburn: On that point, if you think about the car and how we use it, they are static 95% of the time. When we use them, we only have one person in them, so they are 99% inefficient. If you think how many electric cars are already on the UK's network, you could use that fleet now. If they were all shared, both via lift sharing and pooling, you would not need the rest of the fleet.

Q20 Laurence Turner: That takes us on quite neatly to the next question,



which is about decarbonisation. Would you say that the decarbonisation and electrification of the fleet will continue at the rate of progress that you have seen already? Something else we are interested in hearing about is whether you see any behaviour changes among users. Do you see people preferring to use electric vehicles, or is there a preference for petrol?

James Taylor: We introduced our first electric vehicle back in 2018. Just under a third of our fleet is now electric, and in that time over 180,000 members have driven electric with us. There is a real piece for car clubs around accessibility, around equitable and affordable access to EVs, that I think we need to touch on.

You asked whether I think it will grow. At the moment, the costs of electrifying car clubs are very expensive. From some work that CoMo did, it cost the operators over £6,000 more per year per car to operate an electric vehicle in a car club fleet. Part of that is that, unlike traditional fleet owners, we do not bring our vehicles back to a depot at the end of the day and have our infrastructure there. Our fleet is dispersed across cities, and we do not own infrastructure. We therefore have to use public infrastructure. One of the key metrics for car clubs is downtime, so we want to keep that as low as possible so that vehicles are available for members to utilise. That means we use rapid or ultra-rapid infrastructure, which is the most expensive. When you compare that with petrol on a cost per mile basis, it is actually more expensive, which was a scary place to be when we made the move to electrify, assuming that it would mean savings for us.

There are also other policies that work against us. Part of the challenge that we find in the UK for car clubs is that we are always considered the same as a private car. We are not separate, even though, as I think we have shown, there are very different benefits from car clubs compared with private cars. An example of this is in London, where there is a congestion charge, and we are treated exactly the same as a private car. They are currently proposing to remove the 100% exemption and introduce a new 25% discount. We expect that to cost the sector around £1 million more per year on average if that change goes ahead. We cannot simply pass those costs on to members. There is a ceiling that you can pay. If you start to raise your prices too much, the economic benefits of switching from private car to car clubs, which we have talked about, are eroded and it becomes less viable. If we then have to absorb all those costs ourselves, the business becomes commercially unviable.

There is a real tension here, as we want to electrify our fleet, and we want to move forward, but the costs and barriers are increasing those costs and making it ever more difficult.

Richard Dilks: I might try to decouple decarbonisation from EV to an extent, by which I mean that the very efficiency of car clubs bring substantial greenhouse gas emission reductions, coupled with the youth of the fleet and the private car displacement that we mentioned before.



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We calculate this on an annual basis, and it adds up to substantial carbon emission reductions in particular, as well as other greenhouse gas emission savings.

Bremen recently did a very interesting piece of work to answer the question on the positive decarbonisation impact of having a car-sharing fleet in the city, and whether turning it all over to EV overnight would have a positive impact. In fact, the bulk of the benefit comes from the act of car sharing and its efficiencies. You get additional GHG emission savings from replacing with EV, but they are minor compared with the major factor of sharing.

We do not have detailed stats on lift sharing, although I am sure Ali does, but the sector already contributes very significantly to decarbonisation. Clearly, transition to tailpipe-free is a really important part of decarbonisation overall. The car club sector is miles ahead of the private fleet here, with 30% of the fleet being EV. However, there has been a reduction for the first time ever, down from 35% to 30%.

I am afraid to say I think it is likely, on the current realities, that it will reduce further. We calculated that the excess cost of operating EV, which James referred to, is roughly £6,200. That is too much. Car club margins do not support that sort of loss over a petrol or hybrid car. There are no diesel cars in the fleet anymore.

You asked about consumer demand, and a lot of it comes from reduced consumer demand, which seems to be a very mixed picture from what we can understand. On the one hand, operators are reporting to us averaging out reduced consumer demand. In other words, you take away the petrol or hybrid vehicle and put in an EV, and you get lower utilisation. But in our user surveys, we see people giving very high satisfaction ratings to EVs in car clubs, and a greater percentage of users having sought them out than they make up of the fleet. What we extrapolate from that, but we have not yet been able to dive into it, is whether this is about recharging. People report to us that they loathe recharging club cars, with a 50 percentage point drop in satisfaction from using the thing to recharging it—80% down to 30%. So is it that if they think they need to recharge it during hire, or If they do need to recharge it, they will avoid it? If they do not, they are probably quite happy, maybe even more than happy—happier than they would have been—to go and use it.

We hope to go into that further, but it is a significant part of the £6,000 figure. The other part is the infrastructure point James made about car clubs not having a driveway. They are typically charging at the most expensive rates. Again, there is broadly no facilitation here from Government. There is no plan, there is no framework, there is no consideration for this; it is not just any old car. There are also a couple of points of active discrimination that are important to note. VAT is, of



course, 5% on driveway and 20% at public charge points, so car clubs do not get any 5% charging.

On James's point about the London congestion charge, historically there has been a residents discount for cars in the zone, which of course does not apply to car club cars, so it is not just that they are treated as cars but that, in some instances, they are treated worse than private cars.

We have seen a bit of traction from Government in this area, which is important to recognise. The zero emission vehicle mandate, which relatively few countries have, does have a favouritism for car clubs. It is worth more for car manufacturers to supply EVs to car clubs than it is to supply generally—there is one other niche case. That is great theoretical policy, and we are really glad it is there, but it has made absolutely no positive impact on the ground with car clubs, as of yet anyway. I think the car club fleet is too small and so efficient. It is so tiny for the number of people it serves, and also there is no direct link between car makers and car clubs. They do not get the cars direct from Toyota, Volkswagen or whoever.

None the less, at least it is there, and maybe we can get better action out of Government on trying to make sure this lands. They have changed the exclusion that used to be there on EV charging for public funding of EV charging infrastructure. It used to be explicit that this could not be used for car clubs, which makes absolutely no logical sense whatsoever, but that was the case based around EU state aid fears. We managed to get that turned around, probably about two and a half years ago. That has had some positive impact. We now have authorities that have put bids into LEVI and ORCS funds and will use those for car clubs.

It is a trickle rather than a flood, though. Logically, to our mindset and based on all the evidence, you would want Government to approach this on a fleet basis and think about how we can get the most decarbonisation and access bang for buck out of this. If you look at it that way, car sharing, lift sharing and their relationship with EVs leaps up the agenda, but it is currently stuck on the margins.

Q21 Dr Scott Arthur: Ali, you were talking about the targets in France for tripling carpooling. That is a great target, but I want reassurance. They could meet that target by dragging people out of buses, or off the footpaths, and putting them in cars. Is it part of a wider policy to reduce car use, car miles, and also hopefully increase public transport use?

Ali Clabburn: In France, yes, definitely. The research we have done here over the years—a big bit of work was done up in Scotland looking at the impact of carpooling on local bus services. Some people shift from bus services to carpooling, but only when the bus services are really inconvenient, so it takes them more than twice the time it takes them to drive, but also getting people going back the other way. People who carpool to work then use the bus network during the day.



Q22 Dr Scott Arthur: I wanted reassurance on that point. I guessed that was the case. Richard, you spoke about the lack of support in DfT, about nobody being responsible. How does it look in individual local authorities? Some local authorities must be leading on this and allocating resource to it, while, as you explained, the DfT is perhaps not.

Richard Dilks: Yes, that is true. It is very, very mixed, which of course does go back to the DfT point, and James touched on this earlier. Inevitably, if you do not have something from the centre that is trying to achieve coherence, you have a bottom-up reality for local areas. There is a postcode lottery. You see some areas, because they have sensible policies and officials working on it, that actually want to have more of this stuff. They do have more of this stuff, which in a way is unfair. Why should people in comparable places have less of it simply because, for whatever reason, their authorities, politicians and so on are less interested in it?

We do see this, yes. That question brings another point to mind, which is that we have seen a rise in interest and performance from local authorities generally in the last few years, but it is very uneven. It is typically concentrated around either the big metro areas, although they are not universal on this—

Chair: Sorry, we will come back to local authorities because there are a number of questions that have occurred to us. Steff wanted a quick clarification.

Q23 Steff Aquarone: A very tiny clarification. You talked about when you got the Government to take us out of the state aid barrier to charge point usage by car clubs. You said we saw a small uplift in local authorities applying to or for something, but I missed what it was they were applying for.

Richard Dilks: Yes, so that is applying for particularly LEVI, local electric vehicle infrastructure.

Steff Aquarone: Got it, thank you.

Q24 Olly Glover: You have already made some good and interesting points about where car sharing reduces the number of vehicles on the road, so I will not invite you to expand on any of those but to look at the flip side of that. There have been some concerns from the London Assembly's Transport Committee that car clubs might have the potential to increase people's car usage, and possibly increase congestion or perhaps erode the number of people using public transport or active travel.

My mind is very open, but perhaps it would be good to hear from you in turn on both of those points, both the potential for reducing the number of vehicles on the road and maybe the opposite.

James Taylor: We do not see that in our data. There may be some people who will take a car club car for a short trip that could have been done by another mode of transport, but overall, if you look at the



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average trip length, they are longer trips. All the research we have had from our members to say how this has changed, they tell us that they are walking, cycling, using public transport more.

I think you have to look at it holistically. Part of it is how we price it. We price it to be more expensive than public transport, trying to be slightly cheaper than taxis, so you are in that sweet spot that the price plays a role. That is the bit that we think actually changes behaviour. "If I am taking this for very short trips, it is very expensive, and I would be better using other modes of transport."

Sam Dewhurst: I echo what James says. We do hourly bookings for car club vehicles, and they are way more expensive than booking a taxi return journey and public transport, so, yes, I still would say it reduces the number of vehicles on the road. We take a reason for booking on every single booking, and when we analyse that data it is usually longer trips, going to visit family, moving something from Ikea or something like that, especially when using vans. It is usually longer bookings that are more frequent on our platform. Again, as James said, when we analyse the mileage and trip data, it is usually longer journeys that would probably be more useful in a car than public transport or active travel. So, yes, I would echo what James said.

Ali Clabburn: Focusing specifically on London, if you look at when the congestion charge first came in, clearly there was a big surge in the number of people using public transport. What also happened, which was not reported but is in the data, was a big surge in the number of people starting to carpool. Actually more people started to carpool than shifted across to the bus, yet no one paid any attention. The traffic reduction was in a large part due to the buses, but was also due to carpooling. If there had been a campaign at the same time to encourage more carpooling in the areas, particularly the radial areas around the city, where buses don't typically travel, that increase could have been much more substantial.

Yet every time the congestion charge changes, again carpooling has not been mentioned as an option for the people who cannot have a decent bus route.

James Taylor: Also, there is a point there on travel patterns. As I think I mentioned at the start, we have our free-floating model, which is you pick up and drop off anywhere. We tend to see a lot more radial trips. The public transport infrastructure in London is very much out-in so, again, we are filling a gap where those trips are not served by other modes of transport. It is difficult to say this is right and that is wrong, you have to look at the whole thing holistically.

Richard Dilks: We have researched this, as I said before, for more than 15 years and consistently found that the relationship is a positive one, that those people are coming out of private cars and into more occasional car use via car club, and are thereby using public transport and active



travel a lot more. To give some examples, 36% of car club users are using a bike at least once a week, and the national average for England is 12%; 55% are using a train or tram each week, and the national average for England is 9%; and 53% are using the bus, and the national average for England is 21%. There are some substantial gaps.

I am not aware that the London Assembly Transport Committee holds that concern. TfL certainly does, and I have had many interactions with it on this point over the years. The London Assembly Transport Committee recently put out a report titled TfL's Stalling Car Clubs, which gets quite a lot across in one title, and it has some good recommendations. It is a long-standing and very understandable concern, and it is one we deal with probably every couple of weeks when someone asks us this question. We are very solid on the evidence. I think it is also worth pointing internationally to loosely comparable organisations that do somewhat similar research to ours in other countries that finds very similar things.

Sam Dewhurst: On the reduction in vehicle usage, one particular London borough said, because we told it that we are reducing the number of vehicles on the road, which in turn will reduce the number of resident permits they get income from, "We are going to have to increase the price of car club permits because we are losing revenue from the lack of resident permits", which makes it even more difficult to operate, unfortunately.

Chair: Possibly the same local authority that is granting planning permission for blocks of flats without a parking space per flat, and will need those spaces.

Sam Dewhurst: Yes.

Q25 **Olly Glover:** Thanks for those comments. To clarify what you said, I think we are both correct, actually. It was TfL evidence to the London Assembly Transport Committee expressing that view, just to make sure that is cleared up for the record.

What you have all said very much speaks to the point that I think you made earlier, Richard, which is that all these things, car sharing and so on, should not be looked at in isolation. It does need to be related to your overall policy goals and policy levers. We are eagerly anticipating, as a Committee, the Government's integrated transport strategy, and hopefully this is something they will be thinking about as part of that.

You have also touched on the extent to which, by sharing cars and lifts, a user can save money. Could you expand a little on that? In particular, what is the sweet spot of where it can become more cost-effective for someone to use a car club car than their own? What is the evidence on that?

Richard Dilks: I have some numbers. Let me throw them in. On car club members, 34% of them said saving money was a reason for signing up.



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It is a fairly chunky percentage, one of the main reasons. We have the problem cost that we referred to earlier about operating EVs. Interestingly, from a user perspective, using an EV in a car club is almost the exact same figure but on the positive; so £5,600 was our average potential annual saving to someone using a car club EV. Within that, there is some more detail that I can supply, but we looked at a range of scenarios, different mileage levels, all with London figures, and different costs of EVs. We looked at the new Tesla. We looked at a second-hand Renault Zoe. We tried to be as fair to it as we could. On five out of six of the scenarios, people were saving substantial amounts of money.

We do not have precise numbers on tipping points, but very roughly, using a car club more than 10 times a year is perhaps rare—we can say that much. Our annual research shows that 70% of members are usually using it five times a year or fewer, and usually around 80% are using it 10 times a year or fewer. I think that speaks for itself on the economics. As you go beyond that level of use, you start to reach a tipping point where running a private car, or at least a cheap private car, might be cheaper for you, but it will depend on a lot of other realities and what other options you have and so on.

Q26 Chair: Before we move away from the users and their motivation, for the different modes you are covering today is there any evidence that people use car clubs as a way to make an occasional journey that they would not have otherwise made, as opposed to using public transport or whatever?

Richard Dilks: Yes, very much; 50% would not have been able to make their trip at all, is what we found. It is a major enabler of new trips. Of course, they are trips that are valuable to people because they have gone on and made them.

Ali Clabburn: On carpooling, about 12% of passenger trips are done by people who have no other access to a car, so the only way they can get there is through carpooling.

Q27 Alex Mayer: Presumably, if you are sharing a lift, there are some extra miles and time involved in going to pick up the extra passengers. Are there any stats that show if there is a tipping point in how many extra miles or minutes people are willing to add to their journey?

Ali Clabburn: The reason people do anything is convenience, which is their top reason for choosing what they do typically, often above cost. You need to make it convenient. Employers benefit people at the other end by providing reserved parking spaces for car sharers so they can park their car when they get to the other end. Typically, people will only go a few minutes out of their way for a short commute, whereas they are more willing to go maybe 10 minutes out of their way for a longer 100-mile-plus journey. They will also do it for the social side. Depending on who they are picking up, how well they get on with them, they are more or less likely to go out of their way to take them. Often with carpooling for companies it will be people taking it in turns. Someone will cycle to



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someone else's house, share a car with them, and the following day the person coming from behind them will pick them up en route. There are all different ways of doing it.

Q28 Steff Aquarone: We have heard about the insurance issue. I wondered if you could describe the impact it has had on each of your organisations, whether it is getting better and what the Government need to do if it is still a problem.

Ali Clabburn: We tackled this back in 1998 when we first set up because some insurance companies were telling people they could not carpool. We got British Insurance, BSI or whatever it was, to change its policy to enable basically all its members to allow carpooling as long as no profit was made.

Steff Aquarone: Hang on, carpooling, even the 70% of adults who do it informally? How are they defining it?

Ali Clabburn: Well, it was written in that you basically could not take money from someone for having a lift. It was probably only about 5% or 10% of policies. All those got changed back in about 2000 when that guidance came through. It is only now for some employers where their staff carry particular items in their vehicles, whether they are medical or confidential, that they do not want people to go by car. However, under your normal travel policy you can carpool with someone as long as you do not make a profit.

Steff Aquarone: Got it. Thank you. It is different for you, Sam, I am guessing.

Sam Dewhurst: Yes. On peer-to-peer and car club, we have seen a 56% rise in insurance prices in the last three to four years. Our insurance is calculated probably slightly differently from Zipcar's. James can probably go into more detail on how they do it. It is based on vehicle insurance group, location of the vehicle, employment status, how many points you have on your licence, all those factors. Insurance providers are quite risk averse. We are currently trying to find a new policy. We took it to many different main brokers, and there is little interest in trying to broker a better deal, or any deal at all.

Richard mentioned community car clubs. The majority of them have completely folded because there is no insurance. Insurers are not willing to provide insurance for community car clubs. It is easier for corporate car sharing because you can offer a fleet insurance policy, but again that has risen. The average 24-hour insurance price is £33.96, but that varies on who is driving the vehicle, points and all the factors that I mentioned before. It is different in different areas. Certain areas of London are more expensive than areas of Manchester and Birmingham, as it would be with traditional car insurance, to be honest.



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Yes, if that price continues to increase, it is making everything more and more difficult to be able to operate, especially when we have the holding costs of the vehicles as well. Then we also have off-hire insurance. That is when the vehicle is not hired on that insurance policy, and it is basically in case someone smashes into the vehicle when it is parked in the bay. That is also rising. Even when the vehicle is not being booked and we are not earning any revenue from it, we are still having to pay out. That is probably a slightly different model. Enterprise, which is not here today, offers a big car club mainly outside of London. It self-insures because it is a multibillion-dollar organisation and has the ability to self-insure all its vehicles, and all its vehicles are owned. As a smaller operator, we lease or hire our vehicles, so we do not have the ability to self-insure. That is the restrictions of the market that is not flexible enough or does not want to explore the avenues of what we have to offer.

James Taylor: We are a bit more like Enterprise. We are owned by Avis Budget Group, so we can self-insure as well. Across the board, we are seeing higher insurance costs as the cost of vehicles and parts increase. Damage to a vehicle costs more to repair and therefore the insurance costs go up. Even though we self-insure, it is an issue that we face.

Q29 **Steff Aquarone:** I do not expect that you will be able to share any numbers, but are you able to comment on whether there is a disparity between the internal rate of cost increase for self-insurance compared with what you know about the market price inflation?

James Taylor: I wouldn't be able to say.

Steff Aquarone: I understand. Okay. Richard, thank you.

Richard Dilks: Thank you for the question. It is a very important issue. We have two basic problems here. One is lack of cover. The insurance sector has notably retreated from car sharing in the last seven years. We have had a number of community schemes fold, as Sam mentioned, because they cannot get renewal cover. There has also been a big chilling effect of it being more or less impossible to set up a new scheme because you cannot get cover. That is extremely problematic, potentially fatal over time, as schemes come up for renewal.

The second problem area is cost, as people have already been relaying. That has killed off a few more of the smaller schemes because, yes, they can get cover, but only at such an exorbitant cost that they cannot possibly afford it, so they fold for that reason. The cost point is also starting to stalk even the biggest operators, as James was saying, and certainly the more middle-scale ones, as Sam was reporting. That then adds to an overall rise in costs for a whole range of factors: congestion charges, as mentioned by James; EV charging infrastructure, as we have talked about already; and so on. The cost picture on car sharing has deteriorated significantly over the last few years, and this is part of it.



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Incidentally, it has also seen off a couple of e-scooter trials, because they are treated as motor vehicles and must be insured as motor vehicles.

On what the Government could do or the steps we have been trying to take, we have been engaging BIBA and the ABI on all this without much coming of it. We have engaged the Department on it multiple times. The motor insurance taskforce is, I believe, currently sitting. We have submitted evidence to it. The one slight green shoot has been some work we have been able to do with the Community Transport Association and a broker that they know, who has been able to come up with some new cover, in effect, which is now in action with a couple of smaller schemes. So that is an option for some of them. That has been the one bit of good news in the last half decade-plus.

Q30 Steff Aquarone: From your perspective, do you see a delta in the rate of inflation on the market and the rate of inflation of the actual cost of insurance pay-out within the sector?

Richard Dilks: The quick answer, or my hunch, is yes, but we don't have any detailed figures on that. Through all this, we have been trying to understand why, because the insurance sector was reasonably happy to cover car sharing historically. This is not a new concept that suddenly arose in 2018-19. The best we have been able to understand is just a general retraction, as the sector seems to have lost control of its own costs and is overall loss making, from anything that is not very standard, mainstream, large volume, regardless, in my view, of what the actual numbers say. There is no smoking gun that we have ever been able to find of an enormous set of claims that the sector has made or anything like that.

Ali Clabburn: The other thing that has happened in that time is the availability of day insurance for individuals. You can rent your own car out to friends or colleagues, and they can just pay for the insurance for the day. You do not necessarily need a car club; you can do it yourself. We used to have a peer-to-peer car club called Car Loco, and we pulled out of that market because of the insurance pressures, but also seeing the likes of Enterprise coming in, so individuals can insure themselves, and then the bigger providers being much more flexible about their services. It was squeezed at both ends.

Steff Aquarone: It is potentially reducing the size of the insurance market as well.

Ali Clabburn: Potentially. If individuals do not have a car but want to borrow their friend's car, they can be insured by the day.

Steff Aquarone: For £30 or whatever, yes.

Ali Clabburn: The price point is about £30 a day, I seem to remember.

Richard Dilks: One other point to add is that this affects peer-to-peer as well, as Sam touched on. Getaround was a peer-to-peer platform that



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was in the UK but exited citing insurance costs as the prime reason for doing so, as they had leapt so much that it wrecked the economics of it.

Sam Dewhurst: I suppose it is also down to the way the insurance for cars works in the UK. Rather than insuring the car, you insure the person. I do not know exactly how it operates across Europe, but that is why it is much easier to work in Europe because you insure the car, not the person. That is where cost and the risk comes in.

Chair: I assume it also depends on who the user is. If you are a vehicle driver, maybe the first named driver on a current policy, and you have no claims, it is much easier to get insurance than it is if you are not a car owner and with no current insurance history. That must make a big difference as well.

Q31 **Alex Mayer:** James, we understand that Zipcar used to operate in various other places, including Bristol, Cambridge and Oxford, but has pulled out. What were the reasons, to the extent you are able to share those with us? What makes an area commercially viable for an operator like yours?

James Taylor: We saw a big increase in costs post-pandemic, and it was harder then to manage businesses in multiple locations. We saw more usage in London than we were seeing in the smaller markets, so we made the decision to close those. It wasn't an easy decision. We had members who were using our vehicles regularly there. I hope at some point in the future we will go back, but it was to focus our efforts and manage our costs within London.

On what makes a good location for car sharing, there are a number of factors. I think where you have authorities that are supportive—and they can be supportive in a number of ways. That could be free parking permits; it could be promotion. We have worked with some authorities in London where we co-fund an offer. If residents want to join, we put some free credit in. They support it as well. We have had some that do a parking permit scrappage scheme. If residents have given up their private car, so they are handing back their resident parking permit, again they get an offer and credit to join a car club. There are things like that where we have authorities that are supportive and want to do things with us. That makes it easier for us to operate there. On the flip side, we have seen other authorities putting up rates by 78% in a year, and that means we cannot operate there from a cost perspective. There is that side of things that plays a role, how supportive they are.

Then from the demographics and the make-up of the location, we have already mentioned that a good public transport offering, good alternative options to a private car, is key and, for us, a good density of population. Particularly in London there is not much off-street parking. There is a lot of on-street parking. That is important because that means that the cost of parking is another factor that might shift somebody to use car sharing



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instead of their own private car, again bringing in the cost piece that we talked about before.

There is a range of factors. What we are seeing is that, because of this imbalance of support, as an operator we will go to those locations where authorities are supportive. We have five cars; we will put those where we will get the best rates, best support and best potential members using them. Unfortunately, that means it is a fragmented approach.

Q32 Alex Mayer: The cities that you used to be in are very different sizes. We are ranging from, I do not know, about 150,000 to about 500,000. Does size matter?

James Taylor: I don't think it does, no. There are many cities in the UK where car club models such as ours could work. It may be on a different scale, it may not be as many vehicles, but it can work. I think Richard will update with probably better figures, but we generally assume between 100 to 150 members per vehicle. As long as you have around that density of people who will use the car, you will get the utilisation of that vehicle. That is a key metric. If you have a car that is not being used, that is an expensive asset that is draining money. If you have membership there that will use it and are using it regularly, then it is viable. It is a bit chicken-and-egg situation, and that is where things like the section 106 that Sam mentioned is important because that reduces the risk as an operator. The property developers will pay for their section 106 to have a vehicle in there. That reduces our risk and we can go into places that perhaps we would not have done because there is no membership there. That allows us to build our presence that way.

Q33 Alex Mayer: Richard, you have said that you think London is a difficult market to operate in for car clubs, and you have already highlighted some of the reasons why. To what extent do you think those same reasons apply to other towns and cities across the UK?

Richard Dilks: There is some echo in the lack of policy support framework, coherent plan, and so on. London does not have one of those around car and lift sharing, nor does the UK, nor does England, so we have the patchwork quilt aspect. You see that within London with different boroughs taking very different approaches. Some are very supportive, some are half and half, and some are trying to have their cake and eat it in the sense that they want car club service but they want to be paid a lot of money to have it—too much in some instances. We have seen reduction of service on the back of that.

Where I think it is different is that London is 34 Londons in one, which is not a successful model on non-bus surface transport, and it is not one that exists anywhere else in the world for a reason. Other places in the UK do not have that model. I think that the steps this Government have taken in the English Devolution and Community Empowerment Bill is interesting. The rise of these combined authorities is in fact not quite a London model; it is more, if you like, a Manchester or a west midlands



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model. I think that does make more sense if those authorities can then have a sensible grip and relationship with car and lift sharing in their area, albeit there are still then tensions when you come down to highway authority levels. We have this uncomfortable split axis that is achingly familiar to everyone within transport, and it makes a big difference in car sharing as well.

Q34 Dr Scott Arthur: James, sticking with London, the number of EVs in your fleet is dropping. In December I think there will no longer be an exemption for EVs with respect to the congestion charge, so what does that mean for you as a business? What does it mean for your customers once you drop out of that exemption?

James Taylor: It is really challenging for us. We have modelled and provided data to CoMoUK, and for the sector in London we think that will be about £1 million more cost per year just from having EVs in our fleet going into the congestion charge zone. It comes back to the earlier point that it is because we are treated the same as a private car. Our view is that we are a congestion-reducing measure—car sharing generally—and therefore we should be treated differently from the private car that is a congestion-causing measure, so different rules. I think what it will mean for us as a business is that it will put a halt on our EV growth. That is an additional cost that we have to either absorb as a business—

Dr Scott Arthur: Your growth has already halted in EVs, yes.

James Taylor: Exactly, but it could go back even further. When our current EVs come to the end of their life, we will have to make a call around whether we want to purchase new EVs or purchase ICE vehicles instead. We will have to do a cost analysis on what is best for the business. At the moment, if nothing changes, it is likely that with the £6,000 extra cost per year for an EV compared with a petrol vehicle, I would be foolish to purchase an EV if it will cost me more when I am also getting more costs on the business as well. It is this tension, as I said before, that we can either absorb that as a business—but we already operate on extremely low margins, so it can be challenging to absorb such a high amount in a year—or we pass those costs on to members, and then we make the cost of using car sharing too expensive and we lose members, which then becomes challenging for the business as well. We have this real tension that costs are going up across the board and we have to make tough decisions around what our fleet will look like. Unfortunately, that means we have gone back already, and we may have to go back further on those EVs.

Q35 Dr Scott Arthur: Is this purely a business issue, rather than an issue that your customers might be concerned about? They will not be put off by using your service when they—

James Taylor: I think they would if we put up our prices significantly. We know that plays a role. All our free-floating fleet is electric, so we do not see any drop in usage there from switching from petrol to electric.



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We have seen it in our round-trip fleet, to the point that Richard was making. It is more around those longer trips that members are currently put off from taking an electric vehicle. Not all of them, but some are. We sell car sharing on it being hassle-free. It is all the benefits of owning a car without the hassle of owning a car. Putting charging in or having to charge mid trip is a hassle. We also have to remember that members are paying for the time that they are charging. It is pay-per-use, so that is another challenge that we have to work with.

Q36 Dr Scott Arthur: What would you like to see happen? Is there anything else that can be done other than just continuing the exemption, anything else that would help you through this transition?

James Taylor: More broadly, some recognition in policy for car sharing and the benefits that we bring, whether that is at Government level or at London level. By having a target in place, it sets a direction, it sets the support. If we want to be at x number of car club users or x number of car club vehicles by a certain date, then policy will come in place to support that. That then potentially brings more operators into the market. There is a real challenge in the UK in that there are probably four larger operators. If you look to somewhere like Germany, there are probably 200 operators. Why is it that operators are not coming to the UK to operate car sharing? We want competition. That shares the risk, and it means that you bring more people into car sharing.

Q37 Dr Scott Arthur: It is actually a real challenge, because one version of the future is that far fewer of us will own cars but we will have more ready access to car clubs day to day. However, as a country, we seem not to be moving towards that. I think that a lot of people like the idea of owning a car, and I get that, but for a lot of us it is something you want to use when it is there, and otherwise you are not too precious about it.

Ali, have you ever thought about asking for pooled cars to have some exemption or reduction for congestion charges? Or will that steal people away from public transport in London?

Ali Clabburn: That is done in other parts of the world where you have HOT lanes.

Dr Scott Arthur: Just on the charge, though.

Ali Clabburn: It is the point of charging a group of users. If you increase costs, people do things differently. Carpooling is half the price of driving on your own, so automatically you will help people. When the congestion charges came in, we didn't actually lobby for them to get a discount, partly because the technology was not there at the time to give it to people. It is there now. In France, they have high-occupancy lanes where they are—

Q38 Dr Scott Arthur: Do you think the argument has already been made and people are benefiting?



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Ali Clabburn: The benefits would have been there if they had advertised carpooling as an option. It was up to individuals to find it for themselves, rather than it being a policy to encourage more occupancy.

Q39 **Dr Scott Arthur:** James, earlier you were speaking about how you get a club set up in a local authority and so on, and you talked about some of the detail around the exemptions from paying parking permits. What is the ideal scenario for you to set up in a town? Are you looking for an exclusive deal? Is that how it works? You talked about how sometimes you pay charges. What is the ideal environment for you to operate within?

James Taylor: What we are trying to get with authorities is flexibility. We want to grow, but committing to a new location where we are not necessarily sure how it will operate can make it challenging to invest in a vehicle to put in a place and it won't be utilised. What we are trying to get more of is a flexible approach. That is challenging with the current structure. To put in a car club bay, there are lots of TROs and consultations. It can take, from a first conversation with an authority to putting a vehicle in, up to two years. That is difficult to plan as a business: we will grow in two years' time with these bays. Market conditions may have changed at that point.

I think speeding up would be helpful, and the flexibility that allows us to try something and, "Have we managed to build a network of users there, yes/no? Yes, we have: great, let's continue and grow that". Some authorities will give us free parking permits initially. When we reach a level of utilisation that we can manage as a business, we will start to pay permit fees at that point. It is different ways of working and recognising that we are a benefit to authorities. We can help them achieve their air quality targets. There is often that tension where the air quality teams, the environmental teams, want to do car sharing and, as Sam said, then the parking teams want to recoup the revenue that they have lost from giving up private parking spaces. We have to pay excessive amounts to play, and often we are paying more than residents for parking permits. That as a long-term measure does not work for us and, as I say, we are having to go to locations and authorities that are supportive. The result of that is you have some locations where residents have access to wide options for car sharing and others where there is none, and that feels unfair for equitable access to services.

Q40 **Dr Scott Arthur:** It is an interesting point about the TROs, the fact that it takes time and can be a lot of friction, if I can use that word, on your rate of expansion. Where I lived in Edinburgh a few years ago, there were no car club spaces because the local community council, a Scottish thing, opposed the loss of a car parking space because they thought it was a valuable community asset, even though it was very suburban and lots of space. Is that resistance from residents, local politicians and local authorities a problem for you? The fear of the impact that, perhaps counterintuitively, it will have on parking availability for people who own



their own cars or just want to park in an area?

James Taylor: I think it probably is to begin with. When we get to the first point of putting a vehicle in somewhere, there is the risk that we are taking the residents' parking spaces away. What we can then point to once we have been operating for a number of months is, "Within this location, these are all the members who live here." So they are using this asset, and that then helps to address some of those challenges as well.

Q41 **Chair:** On the issue of where car club spaces are, in my patch they are not just on the public road, they are on council car parks. I think there are some in private or retail car parks. As a result of section 106 agreements, we have also had them on the perimeter of a private-sector development block of flats, where there is a limited amount of private parking for the flat residents. Do they present the same problems, or is that not very frequent?

James Taylor: In the property development space?

Chair: Well, the property development private car parks and council car parks.

James Taylor: We tend to pay more for private ones, so that is challenging in itself.

Chair: Even if it is part of a section 106?

James Taylor: Section 106 is different because we tend to get the funding. That is the ideal, that we get the funding and it reduces the risk.

Chair: The developer funds it for a fixed period?

James Taylor: It varies. It tends to be the first year to three years that they fund it for, and that allows us to build the usage in that time. The key thing for us in choosing the ideal place for our vehicles is generally on street, where people can see them. We know from the last CoMoUK survey that 51% of members joined a car club because they had seen it on the street. If you are in a private car park, if you are underground, it is less visible. Also, from a user perspective, going into a car park late at night, not much lighting, it is not conducive. They do not tend to work as well. Anything that has open access for all on the street tends to work better.

Chair: Okay. Some new developments look like part of the street, even if they are not.

James Taylor: Yes. Again, even with property developers, what we try to say is even if they are on private land, it is trying to be open access, so not behind gates and that kind of thing. It is trying to work out what has the most appeal and most access for as many people as possible.

Chair: Thank you. That is helpful.



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Q42 Alex Mayer: In a few places in the UK there are high-occupancy vehicle lanes to help people with more than one person in the car speed through the traffic. Do you think that helps to encourage car sharing and reduces congestion?

Ali Clabburn: Yes, it definitely does. The challenge has been on policing, and people who are sitting in traffic looking at a relatively empty lane. When you look at the number of people moving, rather than vehicles moving, typically—if it is ideally three or more lanes—if you have one of those as a carpool lane, it increases the efficiency of the whole network on people movements rather than just vehicle movements.

In France, again, around Paris they have their high-occupancy vehicle lanes supported by cameras that for a while were advisory and are now fining people if they have only one person in the car. The cameras have got so much better in the last few years and much more affordable, so any local authority could be introducing high-occupancy vehicle lanes. They could even be considering converting some underused bus lanes into high-occupancy vehicle lanes. Again, it is looking at people movements on that corridor. The legislation went through in about 2004 to enable that to happen, but so far no local authorities have done that.

Q43 Alex Mayer: Why do you think there is such a low uptake of this across the UK compared with some other places?

Ali Clabburn: Low uptake or few lanes?

Alex Mayer: Yes, creating the lanes.

Ali Clabburn: A good question. When the M4 was expanded, they were looking at making the bus lane into a high-occupancy lane. The M1 when it was coming down from Luton, that widening was put out there as being a carpool lane and then about a month before it got introduced the carpool lane bit got dropped, so 24 miles of carpool lane got dropped overnight. I think it is political. It is not making the clear case and not necessarily looking at the numbers. In fact, when the last lane was done, they had not even gone to America to look at best practice, which at the time was in America. We were encouraging the team looking at it to learn what works and replicate it. In Washington the last time I looked at it, they were about to double the number of carpool lanes out there because they saw it as being a policy win for them.

Q44 Alex Mayer: On the policy change that could be made on this—this is to anyone—and who gets the revenue, for example, there is a distinct incentive to put in bus lanes because the local authority gets the revenue, the fines from it, whereas I do not believe that is the case with high-occupancy lanes at the moment. Would that help? At the moment, I understand that basically only the police can enforce. Are there other policy changes that you would like to see that would mean perhaps it is not just down to the police?



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Ali Clabburn: Yes. I did a paper on this a while ago and it is probably best that I share it, because it covers all those topics. The bigger picture is looking at what the main aim is. If you start looking at modes, you have problems. We have talked about parking, and with carpooling, if a council makes money from parking and you get two people rather than one person parking, their revenue drops. Even if the greater good might be being served, it is a reason not to do it. You need to look at the bigger picture.

The key thing that is missing in the transport sector is the goal. Why are we all here? Are we here to reduce car miles? Are we here to reduce emissions? If we are here to reduce emissions, the easiest way to track it is to look at the amount of fuel that is being sold at petrol stations. If you know that number and it is going down, you are reducing emissions. If you try to do it by modelling all sorts of complicated things, it takes time. That gives you real-time metrics on the amount of fuel being used. You can then start setting goals and rewarding local authorities for reducing it. You can link it to population, so you are making sure it doesn't negatively impact the populations that are growing. It is a simple metric that, if everyone was going for it, would give clarity. When you look at which mode to do, a bus lane, a carpool lane, a car club, it gives you an environmental reason to introduce it. If you are looking at road miles, it is the same thing. What do these initiatives do that will get you to that goal? At the moment, the sector does not have anything like this, so it is all very siloed.

Richard Dilks: To take an example, National Highways has no remit to focus on number of people, as opposed to number of vehicles. It is a free choice. You rock up in whatever metal box you rock up in, or whatever other device, and its job, loosely speaking, is to provide some space for you to do that, however inefficiently you have done that.

Chair: Unless you are carrying goods commercially.

Richard Dilks: Yes, sorry, plus freight, absolutely. If their remit was reset to focus instead on efficiency, for sure you would see a different approach. You would see different priorities and something like high-occupancy lanes would suddenly become very interesting because it would be a tool to get you to that greater efficiency.

Ali Clabburn: I think the bus operators would love that.

Richard Dilks: The wider financial, fiscal and economic impacts of that are profound. If you look at the amount of money the Government spend on road building every year, if we could be in a world where we are turning away from additional capacity and to making best use of existing capacity, then we start to talk about very big financial numbers apart from anything else.

To add on the parking revenue "tail wagging the policy practice dog", this is something we butt up against all day, every day. It is an enormous



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factor in local authority decision making, and the tussle between the departments within the authorities, something we are all at this table achingly familiar with. It really has an impact.

I also want to go back to section 106 briefly. It can be a valuable tool, as is section 75 in Scotland and the community infrastructure levy in London, but it needs to be done right. There have been some examples where it is done in a very tokenistic way. The car club car rocks up as the development buildout is finishing, so everyone has made their choices. It is not promoted. It is not in a prominent place. The moment the funding has gone, the car club car goes because the viability for it was not built. There is the much more positive version of doing it all well, as we were saying earlier, but it is important that any policy in this space, if we ever could get any of a coherent kind, would focus on the what works side of that.

Q45 Olly Glover: Up until now our discussion has mostly been focused on cities, either medium-size Oxford and Cambridge or large like London, but the UK has many constituencies like mine in Oxfordshire, which is basically three towns of differing sizes and then a whole load of villages and rural areas. How commercially viable do you feel car clubs have the potential to be in rural areas or smaller towns and cities?

Sam Dewhurst: The best thing to do within your constituency is look at how many fleet vehicles the council has, how many pool cars the council has, how many vehicles it has that are not used in an evening, are not used on a weekend. All those vehicles can become car club vehicles without Zipcar putting in 100 vehicles, Enterprise putting in 100 vehicles, Hiyacar putting in 100 vehicles. The vehicles are already there. The council has all the vehicles. You will have 100, 150, 200 vehicles. Each local authority is completely different in the way they operate fleet, but our demand has shown that evenings and weekends are when car sharing has the highest demand. It is the same for most operators, I would say. That is probably the lowest demand and lowest utilisation of organisations' fleet vehicles, NHS fleet vehicles, local authority fleet vehicles.

The good thing is that when we talk about revenue loss, this is all fresh revenue for a local authority, NHS trust or business. Those vehicles are sitting idle, not being used. On our model we give you back 100% of the revenue from all your bookings. You get to set your rates. If you want a car to be £1 an hour to encourage car sharing in your area, they are your vehicles; you set the rates and you take the revenue. The best way, for me, in areas where standard operators cannot operate is to use the existing assets that local authorities already have.

We are seeing Lancaster City Council, East Lothian Council, Tower Hamlets Council making more revenue than us on their vehicles that they are sharing out. Lancaster covers Lancaster and Morecambe, so not exactly a massive city like Tower Hamlets is in the middle of London. East Lothian is doing really well. It has a lot of tourists using it. East Ayrshire



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Council up in Scotland is doing a similar project as well. East Lothian was funded by Transport Scotland, which was helpful. More and more local authorities are looking to use their existing assets as car clubs. First, they can use existing sites, existing assets, no cost outlay for them other than a monthly tech cost, which is very minimal compared with a vehicle lease or anything like that. You keep all the revenue and you are doing good for the community, providing sustainable transport options that were not otherwise there. In rural areas, that is how I would say is the best way to do it.

Olly Glover: Intriguing idea, yes.

Richard Dilks: To add to all those very good points, there is the role of the community-scale, volunteer-led schemes that we see. There are also housing developments, which can be relevant in more rural areas where you are getting big edge-of-envelope developments going in. Particularly interesting are those that are big enough to make the weather, if you like, where you are talking about multiple hundreds or thousands of homes. The policy picture here is also very difficult, sadly. The spatial planning system does not understand car sharing and does not facilitate it specifically. The national planning policy framework does not mention it. We keep harping away at MHCLG about this. You are pushing water uphill if you are doing the planning application to do this stuff well, sadly, whereas it should be the other way around. None the less, there is some potential there.

To answer your question on how viable it is, it is mixed and some of it will not be commercially viable for car clubs. Some of it will not even be viable for peer-to-peer in some instances. However, the interesting bit to think about then is, okay, but is that necessarily the end of the story? Because in public transport we do not accept that point. We accept that some bits of the public transport network will be net revenue generating and other bits will be loss making, but there is a societal reason why we think that is a good thing to put subsidy into. Any subsidy needed for these schemes would be pennies compared with what is spent on public transport subsidy. It will be very interesting to see where Government goes on this. We would like them to go somewhere progressive and think about this, particularly around the transport settlements, integrated transport settlements or whatever they will be called for these new authorities to be created by the English Devolution and Community Empowerment Bill. What it is that they will be empowered to do regarding car sharing, if anything, is a key potential opportunity or avenue. Oxfordshire has lots of interesting stuff going on. The county council is up to quite a lot and has been for a while. There are quite a few lively community schemes there as well, so it is actually a bit of a hotbed of experimenting with the semi-rural market town and larger village densities.

James Taylor: With electric vehicles as well.



Richard Dilks: Absolutely, with a big role for EVs, yes.

Sam Dewhurst: What I might add is that, without going into major detail, I could tell you the commercial model of a car club and our costs. You have the holding cost of a vehicle. You have the parking permit cost. You have the cost of PCNs and damages, which you cannot recover from the driver when vehicles are damaged. Sometimes we can recover them, but not every time. If we are going outside London, we might have extra maintenance staff costs—so valeters, engineers, people who prep the vehicles and put the vehicles back on charge—any marketing costs we might need, and insurance costs for the vehicles. When you slowly factor in all those creeping costs—that does not include platform cost, back-end staff support costs, sales costs, all those extra costs—you are working on minuscule margins. To be able to say, “We will put a vehicle in for 12 months” and that vehicle could lose x amount of money for those 12 months is a massive risk.

Our appetite for risk in going into new areas has slowly decreased over the years, unfortunately. We can understand certain levels of demand, but it is not always guaranteed. London offers guaranteed demand in certain areas, but going into different areas we are not guaranteed that demand. We are not a big enough company to be able to take those risks, unfortunately. That is what it boils down to. In some areas if we get funding for car clubs and then we can understand the demand, we have done the marketing and we can put in half match funding for these car club vehicles, then we might be able to gain a driver base. That driver base expands and demand increases. After two to three years, we can say, “Right, we have proven that model on 10 vehicles part funded by the local authority, let’s put in another 10 vehicles at our cost because now we understand the risk and the demand levels” and all that stuff. That is where it comes down to it unfortunately.

Chair: Thank you, that is interesting.

Q46 **Baggy Shanker:** I have a couple of questions on public perception and trust in the various schemes. What are the common reasons why people still remain reluctant to car share, carpool, lift share, or whatever we are calling it?

James Taylor: From a car club perspective, I think a lot of it is around visibility. If you ask the general population if they know what a car club is, they will probably say no unless they live in a location where there is a car club on their street. As I said before, nearly half our members join because they have seen one. If you do not see one, you do not know what it is.

I think we can grow perception by having more provision of car clubs. Certainly when members use it, satisfaction levels are extremely high, and are consistently high across the sector.



Richard Dilks: Yes, that is true. An 80% satisfaction level is an average finding for us over previous years. It is very consistent. The challenge is much more around getting people to know what they are and give it a go, in particular. It is one thing hypothetically knowing that it is some kind of car somebody can access somehow, and it is another thing having given it a go. Generally speaking, once people have given it a go, they really like it, but I think it points to another policy failure in the lack of promotion—the word defined broadly—and it is mostly left up to operators to actually promote the service in any way. That inevitably lands with people as advertising, which on one level is what it is. There is a real dearth of activity here from Governments, large and small, to get across the point that this option is available, this is where the toolkits from DfT with better socialisation could be playing a role, this is how you go about it.

There are a lot of barriers to clamber over that perhaps need not be there.

Q47 **Baggy Shanker:** Do we see these same problems outside the UK?

Richard Dilks: It is a standing problem because everywhere, to some extent, has the default that by the word “car” we mean a car that someone has sole access to, whether they own it or lease it. But if you look at the high-performing areas like Belgium, for example, it is so well embedded in policy at local and national level, and it has been for a number of years—Germany is a similar story—that there is an awareness among the general population that reflects that policy in effect. Those local, regional, national authorities, employers and other actors have been at this for a good while, it becomes an expected part of the fabric and so awareness levels are above what they are here. Here we are in a much more ad hoc patchwork quilt landscape.

Ali Clabburn: From a carpooling point of view, public perception is—it depends on whether we are talking about informal or formal, lots of people informally carpool without thinking about it. On actually joining up with a scheme, whenever we start working with a client we ask whether they would be willing to carpool to work and typically 50% to 60% of people say they would. That means 40% to 50% will not. That is a large proportion compared with typically about 20% by bus. A bigger number of people would consider going by carpooling, so why don't they?

It is the perception of convenience, it is the perception of losing your ability to get home on time, all those things. Once people start carpooling, their perception changes overnight and they keep doing it. The drop-off rate for people who start carpooling is very low, because they realise it is cheaper, greener, more fun, easier, many reasons, but it is trying to get people to try it the first time. Which is why, again, when we look at France and they are pump-priming that market by incentivising people to either have one trip or 10 trips, once you have shared a car with someone for 10 trips, you will keep doing it because it is cheaper, but you need to give them a reason to give it a try. Once you



give it a try, same with car clubs, you realise it is better. You then have to decide at what point you will get rid of your second car or not buy your next car.

That can be a longer-term thing, but in the short term it is getting people to try these modes that is the key thing.

Q48 **Baggy Shanker:** In practical terms, how can we overcome these barriers? I know you mentioned Government involvement, but surely the problem is not the Government's every time. How do we work together to overcome the barriers?

Sam Dewhurst: I think the low-hanging fruit would be to remove a family's second or third car. Yes, they might still need one car, so first target the second car and the third car, the easiest ones to get away from. Have one vehicle you need, and then share when you need a second vehicle. That is what my perspective would be regarding culture change. But, yes, it is hard to hit the nail on the head. As I said, it is not always the Government who need to fix this issue. It is mainly down to culture change.

We built a country—this is transport in general—that became car-reliant, and now we are trying to go back to public transport and more sustainable transport modes. It is about ingraining that all the way through from education in schools, and it is the same around public transport, to then educate the majority of the public through different marketing schemes, again from operators but from Government from education age through to 60, 70, 80-plus-year-olds who will not be used to using apps and stuff like that to access vehicles, rather than just use their car. I would say it is about education and culture.

Chair: I think we need to bring back James Corden's "Carpool Karaoke" and Peter Kay's series, because it has been a while since they have been on telly.

James Taylor: I think it is about the level of ambition as well. We lack ambition on shared transport in the UK at present, and having that ambition would attract potentially new operators into the market, it would give that impetus for growth. As Sam said, showing that confidence that you can go somewhere and there is support, an ambition, a target to work towards and work together. I think it is about working together.

We want to invest in marketing, explaining to members and potential members what car sharing is. We also want to do that in a framework in which we know there is long-term growth potential in the place that we are going to.

Richard Dilks: I think there is an important role for Government, but I do not think it is the sole role. It is Government in collaboration with providers, with lots of other actors too, with other parts of the public sector locally, with the third sector, with companies and employers. It



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should be a team effort, but to run it well there needs to be a team effort on an agreed basis with some incentives that help.

In London, car clubs are now typically paying 10 times the residential parking permit fee per space. One borough has had a go at taking it up to 30 times. The messaging is very clear on the economic front, and then that translates straight through into the level of provision, which then translates into the level of awareness.

Chair: Contradictory policies.

Q49 **Baggy Shanker:** I am going back to concerns. Are there particular concerns that you hear from women, for obvious reasons?

Sam Dewhurst: We do mention that. We are running a trial with a certain NHS trust in London at the moment, more around corporate car sharing, and our platform uses an app to unlock and lock the vehicle, start the vehicle and all of that stuff. So to use the app, you have to get your phone out to be able to unlock the car. I do not know, does Zipcar use an app as well?

James Taylor: Yes.

Sam Dewhurst: You can use an RFID card, but mainly it is all app-based and nurses there are saying, "Well, we have a community visit at 8 o'clock in winter. I am having to go out into the road, get my phone out and then unlock the car. It becomes a challenge," and they say, "Why can't we just use the key?" That reduces the ability for corporate car sharing. It is the same angle for car clubs. I think you have done more studies on women and vulnerable people regarding accessing car clubs but, from a corporate car-sharing perspective, we are still getting the pushback that they are having to get their phone out.

On the news every day now you hear about phone snatching in London and so on, and that is the same aspect. Yes, it is a challenge, and there is a specific case around women nurses for this trust, and we are trying to overcome that using RFID cards rather than phones, and so on.

Ali Clabburn: On the barriers, all of these sectors run on shoestrings so we do not charge our members for sharing a car, it is up to them to split the cost. We do our marketing basically for free from our profits from our corporate clients. The challenge is that you are going up against other things. You are not only going up against car manufacturers and all their advertising. Take BSIP, which has done wonders for buses. It has got more people back on buses, which is great, but there has been no BSIP for carpooling. We are competing in a world where some modes of transport, whether or not they are better than, or similar to, carpooling, are funded, and there is no funding or awareness for what we are doing. There is no legislation, there is no goal, there is no target.

When we worked with local authorities when there was no funding or an equal level of funding and no particular targets, they chose carpooling



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among a range of options. Now there is funding for buses, the councils go for buses or cycling. They have all dropped their carpool teams or anyone responsible for it.

The biggest change for us was when scope 3 was made voluntary and commuting got put in scope 3 along with business travel. Commuting should be a business cost. Businesses decide how their staff commute or where they place their businesses. It is scope 3 and voluntary, when all the legislation came in for companies to start reporting their emissions, none of them included commuting. So their environmental teams stopped focusing on this one area they can have quite a big impact on. For the last 10 years, nothing has happened.

Along comes a pandemic and companies start realising they can focus on commuting, and suddenly they start changing the commuting habits of their staff. If commuting and business miles were mandatorily reported by large companies, it would impact all of us, because it gives them a reason to start realising how beneficial car sharing and carpooling is for the environment and their organisations.

Sam Dewhurst: You have also got the new plug-in EV car grant that has come out for £1,500 up to £3,500 to buy a new electric vehicle. There is no grant to say, "Don't buy a new electric vehicle, share an electric vehicle. Buy one for the street and everyone share it, or two or three households share it," but it is encouraging people to buy or lease a new car. It is embodied carbon, a new vehicle on the road.

Q50 **Chair:** On the personal safety issue and lift sharing, is there any evidence that women are reluctant to sign up?

Ali Clabburn: Our members align with the general population and, as I covered earlier, actually more women end up sharing than men because often they are the ones who do not have a car at home because the man might have taken it.

Q51 **Dr Scott Arthur:** I was going to ask this question earlier but I managed to stop myself. You talked about a street with a car on it. Someone I know co-owns a car with somebody else on his street, and it seems to work for them. This is a bit niche, but I wonder whether there are any barriers to people co-owning a car.

Sam Dewhurst: No. We operate a scheme in Oxfordshire called Closed Loop. Rather than people sharing the vehicle with everyone on the Hiyacar platform, you can have a closed loop where you own the car and have a sign-up link that you can distribute to your neighbours, your estate or your block of flats, and only the people in that closed loop can share the vehicle. That withdraws some of the barriers, because you know the people who are using it. It is your local community, so you are not as worried about people getting in your car and going on a joyride and smashing it up.



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The closed loops work quite effectively, but there are not enough of them. We have not been able to get enough people to create them.

Q52 **Chair:** There are probably a lot of people like me who share running a car with our friends and neighbours who live on our road, but there are no stats for that because it is a completely informal arrangement based on trust and so on.

We will now go back to the areas that you have touched on a lot, so new things to say please on policy, starting with Government. What engagement have you had with Government, and has it been with the DfT, if at all? I will go to Richard because you have picked up on this.

Richard Dilks: Yes, the DfT mainly, as you would expect, but very limited as I was relaying earlier. I won't go over all of that. MHCLG also because of the importance of doing spatial planning right, which I mentioned before. Treasury we have had a couple of meetings with, as there are various pieces of tax discrimination against car sharing—benefit-in-kind rules, for example. There has been a little with DESNZ, and with DEFRA on air quality. In an optimal world, we would be talking to DHSC but we have not gone there yet because we are a bit tied up with trying to get some traction with the more mainstream bits of Whitehall.

We engage very regularly, it is worth saying, with local authorities up and down the country, typically engaging about 40 of those per month.

Q53 **Chair:** Any other contact with Government Departments, effective or not?

Ali Clabburn: We have had many, to the point where up until today I have not been in the last few years because I had given up, to be honest. We have had lots of very positive discussions, lots of support, often from the shadow team as well as from the central team. We have seen a lot of—

Q54 **Chair:** When you say “shadow”, do you mean the Opposition party?

Ali Clabburn: The Opposition get it, but when they get into power, they often suddenly do not.

Q55 **Chair:** Is that the current situation?

Ali Clabburn: No, I would say it is flat, but we have had lots of very positive discussions. The thing that we, other providers and CoMo have asked for, for years, is demonstrator towns, specifically on carpooling. They have been very close to happening several times, but they have never happened, and then we are told there is no evidence to show this works. Within a year we could show it working at scale. That is frustrating.

We have encouraged trips to France and Europe, to see why they are doing what they are doing and what is working. That needs to happen



here, because we could replicate their best practice so quickly. The relative sums of money being invested, you might think €150 million is a lot, but compared with their €30 billion transport budget it is nothing, and it can deliver impacts far quicker, and the public like it. It is one of the few things you can do in transport that the public want you to be doing.

James Taylor: Generally not. Part of the challenge is knowing who to speak to because nobody is responsible for it.

Sam Dewhurst: NHS England, for the NHS net zero travel and transport strategy, included something around pool cars and corporate car sharing within their net zero travel and transport strategy. I previously worked in the NHS as a transport manager, so I knew who to speak to, which might have helped a little bit. Local authorities, again the issue on a local level in the NHS—

Chair: We are coming back to local. I wanted to pick up on Government.

Sam Dewhurst: Central Government? Nothing really.

Ali Clabburn: On central Government, on the Greening Government Commitments side, that I believe has been paused several times, but it will be republished in March. We hope there might be more on these things within that, but again it has been delayed.

Q56 **Steff Aquarone:** We heard you talk about the withdrawal of the guidance in May this year. Any idea what is behind that?

Ali Clabburn: No. I asked, but I did not get an answer.

Steff Aquarone: No indication of what will happen next?

Ali Clabburn: No. I think it was ineffective. I do not think any local authorities knew it was there, had any reason to read it or do anything about it. Maybe it could be relaunched with some support. I do not know.

Steff Aquarone: That rather answers my next question, which is: was it useful?

Richard Dilks: Hardly at all, from all our observations. But to be fair to it, both were reasonable stabs at the task, but simply placing a toolkit on gov.uk does not change the world. What you need is to push it and to think about all the ramifications of it and all of these points that we have been making. That did not happen. It was very much, "Well, we have put a toolkit out, that is the end of our role."

Ali Clabburn: It was the only thing in the transport decarbonisation plan in our bit that did happen, so that was a tick. Something happened, but it was the only thing.

Sam Dewhurst: I would say the Crown Commercial Service frameworks have been more informative and powerful for local authorities and the public sector than the actual toolkit itself.



Q57 Steff Aquarone: We have the integrated transport strategy stuff happening. This feels like a rather big question, so let us talk about it in terms of the first steps rather than how you would integrate car sharing into transport networks. What would be the first steps that you would each take to integrate car sharing, of all the types you represent, into an integrated transport strategy?

Ali Clabburn: I could look at this from a local level. We do integrated transport strategies for our clients under the Mobilityways banner, where rather than taking a modal approach, we take a demand approach. We look at how members of staff going to hospital travel, how they could travel, how they want to travel and then we work with operators and with Liftshare to provide a suite of solutions that match their needs. That rapidly drives up walking, cycling, buses, trains, taxi sharing, DRT—everything.

Steff Aquarone: Is it ecosystem-led, user-journey focused?

Ali Clabburn: It is data-led, personal data, so rather than just a random survey, it is about asking individuals whether they want it and whether they are happy to be contacted by a bus provider offering discounts, getting the bus operators in to say, "Here is the demand", the lift-sharing scheme to match people up, and doing it that way.

The survey did not even mention carpooling, and it did not ask people if they shared. I would be very surprised, without something like this, if it even mentioned carpooling as a mode.

Sam Dewhurst: I think Ali is right, because there is no point people car sharing and using a car club vehicle to drive to work to sit in an office for nine hours, with the car sitting there for nine hours, and then drive it back. There is genuinely no point to a car club or car sharing for that. So lift share to work in a shared vehicle, and for some of your journeys use public transport. It has to be integrated into everything.

We find success in having carpool vehicles at train stations, for that final mile journey in the same way as you would use public transport. Having that integrated for the final mile, and for where connections are made to public transport for longer journeys, helps as well.

Steff Aquarone: Richard, first steps?

Richard Dilks: Yes, I could spend the rest of the day talking about this. Do first steps. I think it is a question of depth and breadth. A great opportunity is coming up in the National Integrated Transport Strategy to have a serious role for sharing, and we work on two wheels as well. We also want to see that.

Again, these things heavily interrelate. Car club users use shared bikes and scooters a lot. That strategy is the first test. If it is not in there in a substantive way, it will be disappointing and problematic. I think being in there means an understanding and a commitment from DfT to work with



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these sectors in a long-term, established way, with it becoming somebody's job so there is somebody to engage with, so it is part of a Minister's remit, and so on.

But also breadth. Even within DfT there are huge opportunities here. If you look at what it is trying to do with Great British Railways, in our view it has to think of the passenger not as somebody who evaporates when they go beyond the gate line, but as somebody then going somewhere. The question is: how will they go somewhere, and how did they get to the train in the first place?

Sharing has a really material role here but, long story short, there is currently very little direct provision of shared transport options, including four-wheel variants, at rail stations. It is a massive missed opportunity. There is a fairly large number of howling great gaps, which leap off the page, if you are someone like me.

We have already mentioned National Highways, and looking at its remit and efficiency points around that. We have aviation. This Government seem minded to expand aviation significantly. If that is to happen, and if there are to be some mode share targets around that—as there certainly should be—why are we not focusing on airports and the role of shared transport at them?

There is a big job within DfT to make it connect up with itself. Then there is the more ambitious layer of the onion, which is the NHS, DHSC, MHCLG and spatial planning policy, the Treasury and tax, and so on.

Steff Aquarone: A lot of silos.

Richard Dilks: Yes.

Steff Aquarone: James, your first step.

James Taylor: For me, building on what Richard said, it is about having that goal, that target. What do we want trips to look like? I think not looking at it as a siloed mode of transport but broadly at how we want people to get around. That starts that conversation of whether this could be done another way, rather than this is a bus trip, this is a car trip, this is a train trip. Thinking about how they come together and from that setting that starts. I think once you have targets, they filter down to regional and local level, and then you start having different types of conversations.

Chair: Finally Olly, back to local authorities.

Q58 **Olly Glover:** You gave some good stuff on this in one of your previous answers, but what more can local authorities do to support the different forms of car sharing? Perhaps to nick my hon. Friend's way of doing this, what would be the most useful first step that local authorities could do to help?



Sam Dewhurst: Have someone responsible for it, because sometimes you are talking to a parking manager, sometimes you are talking to a fleet manager, sometimes you are talking to a transport manager, sometimes you are talking to a sustainability manager, sometimes it falls within HR. Have someone responsible for it who can then take the project—

Chair: Then there is regeneration and the planning officers and so on.

Sam Dewhurst: Exactly. Have someone responsible for it who understands how it works or is willing to understand how it works. Every operator is willing to educate on how car sharing and car clubs work, and then you can move from there with projects, whether they are funded, whether they are not funded, however you or the local authority want to do it. But having that designated person who is responsible for it, again, the same way as you said about central Government. Knowing who to talk to is the key part, and having someone who understands it as part of their remit is key, I would say.

Richard Dilks: I would go for finances, set the goalposts on the right bit of the pitch, look at how much is charged for private cars, look at how much, if anything, is charged for shared cars. The answer is multiple but, as you asked for one single thing, that is my answer.

Ali Clabburn: Mine would be some form of measurement. I can think of only one local authority in the entire country that knows its carpooling levels year on year and tracks it.

Chair: Which is?

Ali Clabburn: Norwich, Norfolk, although it has just run out of funding. I think last year may be the last year they do it. If you do not know what you are tracking, you do not really have a way to do anything about it.

Q59 **Olly Glover:** You gave some examples earlier of local authorities that already do some of these things well. Do you have any others, both UK and abroad, that we should be looking at?

Richard Dilks: I think in UK terms, I mentioned before that the metro areas generally, with the exception of London, have come up on the way on this. I would also point to the future transport zones as being an interesting example of a central and local government hybrid. I think they have generally proved to work well, and I have seen those areas—not all of them, but most of them. They are able to take a much more serious focus and set of steps on this than they were before. That has been palpable, if you sit in my chair.

Going internationally, there are a number of city and regional authorities, Bremen has already instanced this, the originator of mobility hubs that brings together shared transport, public transport, active travel. It has a long track record on car sharing as well.



I think the basic point from those sorts of places—Ali has touched on this a lot with carpooling policies in more forward-stepping countries on that agenda—is that you do something serious rather than just playing around with it. Then you keep on at it, and you need to iterate and innovate as you go along because the world changes and you have some impact and you want to grab that and move on. But keeping on at it in a serious way, that is the characteristic that I think all successful places have.

Chair: Thank you, and last but certainly not least, Alex.

Q60 **Alex Mayer:** I was wondering what engagement you had had with MCAs and mayors, and whether it was clear who you were meant to be speaking to. It is clearly not clear who you are meant to be speaking to in Government. Is it clear at a regional level?

Richard Dilks: Maybe I will answer that first and then shush. I think it is not unclear in Government; it is just that there is no one to speak to, which is a different version of the same point.

In MCAs it is a good question, and it is mixed. I think we come again to this opportunity in my mind around the English Devolution and Community Empowerment Bill. These combined authorities, which the whole of England is to have, will be looking at transport, because although they are relatively similar in set-up in lots and lots of ways, they are very different when you get under the skin as to where things like car sharing sits in their hierarchy. Perhaps more than you would like to see. I think we are all finding our way through how this is meant to work.

The question touched a bit of a nerve as to how this is meant to go, because historically these set-ups had not been there in the 20th century, such as centralised power for English local government. I think there is a job of work there, guidance around the Bill, the structures, who is in what job. The Bill is important to us for bike share reasons of course, with licensing, but we will also be working intensively on this aspect of trying to get the profile of shared into these transport settlements and how we engage with those authorities.

Ali Clabburn: On the previous question on local and regional authorities, when you look overseas, in Italy every company that employs over 200 people has to report its commuting emissions to the council, and all the councils have to report their overall community emissions up to central Government. They have real stats on what is happening at a company, regional and national level. The same is happening now in Holland, where everyone with over 200 people has to do this—in Italy they have a mobility manager, and in Holland they have to report it.

When you have that level of policy, it is then up to them to act on that policy and to make changes that suit what is going on nationally. If you are trying to, again, cut emissions, you can use that data for that purpose. But they had to change the law to make employers be able to incentivise people to travel more sustainably to work.



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In America you can fund and subsidise commuting, and in Holland you can subsidise commuting, but in this country you cannot provide subsidy for commuting unless it is taxed.

Sam Dewhurst: You are right that it has to be backed up by policy, because the NHS in Scotland has to report on every single grey fleet mile across every single health board. That is it; they report it. It does not mean they have to do anything. The biggest NHS trust in Scotland has about 4.5 million grey fleet miles, which is ginormous compared with many organisations, but they just report it. There is nothing they do about it. Having that backed with policy is key.

James Taylor: I think at regional and local level it is easy to identify who you need to speak to, and I think we have good relationships there. I think we are often at the whim of that individual, though. If they leave or move on to another local authority, there is not that depth or broad understanding of car sharing, and often you are back to square one. You could spend two or three years trying to build and explain car sharing, and then they move on. I think that links into what we have been saying around broader policy and connected policy. I think it is lacking, which means we are prone to that.

Chair: Policy and data?

James Taylor: Yes.

Chair: That brings us to the end of our session. It has been hugely informative and interesting, particularly in what appears to be somewhat of a vacuum or inconsistency of policy at national, regional and local levels. That has been very useful. Thank you very much for coming to give evidence to us today. Do feel free to write to us if there is anything you think you would like to cover a bit more that you have not been able to cover in your answers this morning, although your answers have all been very full and, as I say, informative. This concludes today's meeting.