

# Car Clubs for Businesses

The low cost, low risk and  
low carbon alternative.



## If you are worried about the cost and environmental impact of running fleet cars then a car club could provide the answer...

Car clubs offer businesses self serve 24/7 access to a range of vehicles for as little as an hour or for long term hire. There are many potential benefits as car clubs improve business efficiency, reduce risks and take away administrative headaches as well as being a greener option.

# How do they work?

**Book:** for as little as half an hour at a time, using telephone or internet. The booking can be made well ahead of time or with a few minutes notice.

**Unlock:** cars are located at designated parking bays in the local area and accessed using the member's smart card.

**Drive:** once inside the driver either swipes the card over the windscreen reader, or enters a pin and drives away, returning the car at the end of the journey. It is possible to extend the booking from the car if necessary.

**Pay:** pay-as-you-go charges include fuel and maintenance costs. Accounts are sent to the company at the end of each month, detailing costs, mileage and times of every trip or can be viewed securely online in real-time.

## Sharing vehicles in practice:

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- Larger businesses or organisations' cars can be block booked for sole use during working hours, then reverted back to the car club for general use out of hours, or be moved into the community through staff car share schemes.
- Smaller companies can book by the hour from any of the cars in the fleet either in the same town or nationwide.
- Staff can have the option to pick up cars by their home for a business trip too.
- Experience shows in the vast majority of cases there is a vehicle available for all bookings – as car club operators monitor bookings to ensure there are sufficient vehicles to meet demand.
- If the previous driver is delayed then the booking can be transferred to a car nearby.

## Car Pool Pitfalls:

### Paying for idle cars

When vehicles are not needed, they simply sit idle. This is a huge waste of an expensive asset.

### Paying 100% of costs

The employer pays for all servicing, tyre replacement, safety checks, tax, insurance, cleaning etc. and pays staff to carry out these functions.

### Administrative burdens

The employer is responsible for managing the pool cars and their bookings, including tasks such as checking fuel, VED tax, insurance, servicing, tyres and minor repairs.

### Inefficient use of cars

Paper booking systems and shared car keys mean one booking can tie up a car for a whole day.

### Land taken up for parking

Car pools can permanently use large areas of land for parking, which could be put to better use.

**“The Corporate Manslaughter Act is now in force and businesses found to be negligent in their handling of health and safety face the prospect of unlimited fines and humbling publicity orders. There’s never been a more crucial time to ensure your fleet car policy would survive under scrutiny.”**

Growing Business, April 2008

## Car Club Solutions:

### Pay as you drive

You only pay when you use the car club vehicle. Even when cars are block booked through the week the costs are shared with out of hours bookings.

### Sharing costs

Through the car club all costs are included in the operator’s rates.

### Administration included

Staff currently spending time on these tasks can be reassigned to other more productive tasks.

### Efficient use of fewer cars

Online booking and smart card technology enable maximum use of each vehicle.

### Parking spaces saved

Car clubs have designated bays close by. Sometimes they are located within an employer’s site but even then parking spaces are saved as a smaller number of cars are being used more efficiently.

**“The average motorist could soon be paying more than £2,600 a year to fill up their car... drivers who are reliant on their cars for business will be hardest hit.”**

The Daily Telegraph, May 1st 2008

## Grey Fleet Pitfalls:

### Reluctant staff?

As the price of fuel continues to grow, the mileage allowances paid to staff are becoming increasingly inadequate. As a growing number of staff refuse to use their own cars, the employer will either have to increase rates, or provide more pool cars. Both may be financially or politically impossible.

### Liability – inadequate insurance

Relying on the employees insurance can lead to problems over liability. Is the car properly insured for business use? If not, the employer may be liable in the event of a road traffic accident involving an employee while using the car for work.

### Liability – vehicle safety

Duty of Care, and Health and Safety rules mean that an employer must take measures to protect the Health and Safety of an employee, even when they are driving their own vehicles. An employer can never be certain that this car is correctly maintained, or is safe to drive.

### Unnecessary mileage claims

Companies have a lack of direct control over the Grey Fleet – the employer can never be certain that the mileage is really necessary, or that the correct claims are being made.

### Adding to commuter traffic and parking needs

Staff with occasional and unplanned need to use their cars for work have to drive each day adding to commuter congestion.

### Old bangers?

Are cars owned by your staff efficient in terms of their CO<sub>2</sub> output? Do they have unnecessarily large engines? Are they fit for purpose?

## Car Club Solutions:

### Solution to problems with staff allowances

Using a car club will rid the employer of current and future problems regarding mileage allowances and payments. Staff currently managing these aspects could be more usefully redeployed. The car club can be seen as a benefit to staff who can save money by giving up their own car and using the car club cars for personal use also.

### Peace of mind over insurance

Insurance is the responsibility of the car club so it will cover all situations. The car club can also carry out annual checks on employees' licences to ensure no changes have occurred.

### Peace of mind – vehicle safety

Car clubs use new vehicles which are checked weekly and well maintained.

### Detailed breakdown of car use

Itemised bills are provided on a monthly basis or can be accessed real-time online broken down by user, reducing administration costs and providing clarity.

### Reducing commuter traffic and parking

Staff can commute by greener modes reducing traffic and parking needs, supporting the business travel plan and reducing the carbon footprint.

### Smart low emission vehicles

The organisation's carbon footprint will reduce using greener car club cars. Plus the business image can benefit from using a range of new smarter lower CO<sub>2</sub> emission vehicles.

## Corporate Social Responsibility:

### Environmental benefits:

- **One car club vehicle can encourage the disposal of at least eight privately owned cars.**

Carplus national car club member survey, 2008

- **30% of corporate drivers surveyed stated that car club membership had reduced the amount of driving to and from work.**

Moses Environmental Assessment, 2005

- **Car club cars emit only 63% CO<sub>2</sub> compared to those they replace.**

Carplus national car club member survey, 2008

### Community benefits:

Companies can benefit their local community by using a car club and sharing vehicles used by them in office hours with people living close by out of office hours.

This provides an excellent community asset and helps take cars off the road making it a positive aspect of the employer's local CSR plans.

**“Commuters face a £350 tax on workplace parking spaces... Nottingham City Council is the first local authority planning to introduce the tax... Employers with more than ten parking spaces will have to pay.”**

The Times, 18 September 2007

## Arup

The Leeds office of Arup made the conscious decision to move their premises to a city centre location to allow their staff to take advantage of the public transport system for commuting and for some business purposes. At the same time, the company joined the local car club operated by WhizzGo.

Figures from WhizzGo/Arup show that Arup's expenditure in the last year of operating just three pool cars was a little over £17,000 when all fuel, maintenance, parking, depreciation and administration costs were calculated.

In the first full year of using the car club as a means of essential staff mobility their costs were calculated at less than £5,000, meaning a saving of well over £12,000.

**“We operate on a team basis and thought it was wrong to spend £2,000 a station for parking places, which might only benefit a few people. We use public transport wherever possible. Using WhizzGo cars we are able to work better and more efficiently, doing site visits in chunks. But WhizzGo also offers flexibility – we can see clients at the drop of a hat if we need to.”**

## Leeds City Council

Leeds City Council has been successfully using WhizzGo initially within the Development Department as a sustainable business travel option for staff. Smartcards are held on a group and individual basis for high users, and for staff who use WhizzGo for personal as well as business use. Staff are offered WhizzGo as a business travel option, which is most efficient for journeys that are higher in mileage and shorter in time duration.

As a result of significant savings – using WhizzGo means that employees don't have to claim back daily city centre parking fees of £7.50 – Leeds City Council is due to roll out the scheme corporately. There are a growing number of staff who no longer drive to work, but still have access to a car during the day for business purposes.

“We took out corporate membership of WhizzGo because we thought we should practise what we preach. It gives us flexibility without having to run pool cars. We use public transport where possible but at certain times – when carrying equipment and going to meetings at short notice – using a WhizzGo car makes good sense. If I had to go to a meeting at work in the past, I might have considered driving into Leeds and using my own car but now I don't have to.”

## ServiteThames – South London

A recent merger of two housing associations in South London meant that the 120 staff at the Balham headquarters of the company had access to only 14 car parking spaces. The company – ServiteThames – has now joined the local car club (operated by Zipcar) to provide the staff mobility required by all 120 staff. Zipcar has five vehicles in place on the site for their exclusive daytime use, and is to monitor car usage in order to provide the service the organisation requires. Local residents who become members of the car club are able to access the vehicles during evenings, weekends and holidays. Staff at ServiteThames receive a personal benefit in that they have “zero cost” membership of the car club for their private use of any of the operators vehicles.

“Our car park at the Balham office is far too small in comparison to the number of employees, together with their cars which we anticipate. A car club seemed to be the best idea. By having Zipcars based at Balham, we will end up taking lots of cars off the road not only just those of staff but also those of people who live near Aura House.”

“Working in partnership with Zipcar will be good for ServiteThames, good for staff, good for residents and good for the environment.”

For more detail on operators, or support to set up a car club for your business community, please contact Carplus – the national charity supporting car clubs on: 0113 234 9299 or [info@carplus.org.uk](mailto:info@carplus.org.uk)

Search for cars near you:  
**[www.carclubs.org.uk](http://www.carclubs.org.uk)**

## Is there a car club in Newcastle?

There is currently one car club operator who has been approved by Newcastle City Council to operate in the City:

**Option C**

[www.optionc.co.uk](http://www.optionc.co.uk)

