



An Innovative Approach

Professor Greg Marsden

Centre for Research into Energy Demand Solutions
Oxford University Centre for the Environment
University of Oxford
South Parks Road
Oxford
OX1 3QY

By email to: g.r.marsden@its.leeds.ac.uk

Dear Professor Marsden,

**Commission on Travel Demand Shared Mobility Inquiry: call for evidence
Response by the Urban Mobility Partnership**

We are writing to you from the Urban Mobility Partnership (UMP) which was launched in 2018 and whose members include Enterprise Holdings, the world's largest car rental and sharing company, Stagecoach, one of Britain's largest multi-modal transport operator covering bus, coach, train and tram, and Bosch, the world's leading supplier of vehicle emission reduction technology and automotive components. We have also recently added Next Bike to the partnership to provide bike sharing support.

We account for more than 1 billion consumer journeys a year and represent all the key transport modes in the debate around the future of urban mobility. As a forum we hope to work with national and local government to develop solutions that support the Government's Road to Zero and Clean Air Strategy.

The digital revolution means that public and shared transport providers need to adapt to provide the mobility solutions that consumers need. Despite the opportunities afforded by the connectivity revolution, different modes of our transport system still tend to act as self-contained areas. UMP is committed to altering this mindset and seeks to embed smart technologies in connected mobility services to offer a multimodal transport solution for consumers.

Below are some specific responses to address the specific topics requested. Further data on any of the areas referenced is available on request.

Shared transport today

It is clear that the majority of transport sharing is happening across urban areas in the UK; electric vehicles, public transit and shared transport, bike share, car rental and car club are now the key providers of urban transport. The average distance travelled by car has decreased by nine percent over ten years (2005-2015), whilst the distances travelled by sustainable transport modes, such as cycling, bus and train, have increased by up to 50%.



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However, there remains a significant issue across the UK as many consumers are currently unwilling or unable to give up their primary form of transport, a private car. This is in a context where privately owned vehicles in our cities are parked 97% of the time - whereas shared daily rental and car club are utilised 95% of the time. It is also the case that the average age of a car on Britain's roads is going up. 2018 official statistics released by the Department for Transport revealed that petrol cars on the road are on average 9.1 years old with diesel cars averaging 6.6 years. Almost one in five of the UK's cars are more than 13 years old. New vehicle registrations were 3.1m in 2017, a 6% drop since 2011. The ageing profile of the UK's car fleet and the drop in new car registrations suggests that motorists are holding onto older vehicles for longer.

The prospect of congestion charging and rising Vehicle Excise Duty charges means that consumers are facing an increased financial cost to own and retain their vehicle. Many of those with the highest polluting vehicles also have the least amount of disposable income and will be disproportionately impacted by these changes.

This is why the sharing modes that are most successful not only improve the environment, reduce congestion and improve air quality, but also empower citizens to be able to choose the clean, safe, and efficient modes of transport that suit their needs and the needs of their city. Shared modes of transport including car rental, car club, bus, tram, train and bike share are demand driven shared assets, and must be available in such a way as to provide a solution to traditional ownership.

UMP has identified the following additional barriers to shared transport:

- 1. Data.** Access to data is the key to a successful implementation of shared transformation schemes. Bus companies already hold much information on its customers' travel patterns and data is currently shared by bus operators including UMP partner Stagecoach. There are also open data obligations for bus operators included in the Bus Services Act.

However, providers of other modes do not always appear to be as prepared to share data which has resulted in a power struggle regarding who owns the information and how it should be shared. UMP partners are committed to working together across modes to tackle this issue.

- 2. Commercial partnerships.** Closer relationships between different transport mode providers are necessary for progressing the type of shared transport the consumer wants. This why UMP partners are committed to working together to develop new transport pilots as part of the transition to mobility as a service.
- 3. Public and private partnerships.** Shared services need to include multiple operators, and without providing any lock-in to any vendor or operator. A key factor in making shared transport a success in the UK will be ensuring all players across the market are able to work together – while private sector operators may join the system for reasons of profit, government (both local and national) may foresee benefits such as reduced congestion, fewer accidents, and improved air quality. Both



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sets of incentives are possible to both sides if they can work together, but this entails that both private and public sector operators are able to offer their services under the same system.

Air quality implications of sharing

Urban cities and their surrounding communities face ever growing population, congestion and air pollution challenges. Ageing, inefficient, underused and polluting vehicles add, and will continue to add, to these problems. Each year in the UK around 40,000 deaths are attributable to exposure to outdoor air pollution. The health problems resulting from exposure to air pollution have a high cost to people who suffer from illness and premature death, to our health services and to business. In the UK, these costs add up to more than £20 billion every year.

Multi-modal shared transport solutions have the ability to change this:

- 1. Car club and car rental accelerates the transition away from vehicle ownership.** Research by TRL and Steer Davies Gleave found that, of those people surveyed that had used car rental during the last 12 months, 14% had sold and not replaced their car and 23% would not consider purchasing a car, opting for car rental instead. Private use of car rental and car club also has a significant impact on the reduction of carbon emissions. For example, car club members in London saved 49,220 tonnes of CO₂ in 2017, and car club membership cuts a Londoner's transport carbon footprint by 73%. The UK car rental fleet has rapid turnover; UMP partner Enterprise turns over its vehicles every 8-12 months. The average carbon emissions of car club cars in England and Wales is 42% lower than the UK average car. 25% of the Enterprise Car Club fleet is also already made up of either hybrid vehicles or fully electric vehicles.
- 2. Other integrated transport.** Multi-operator multi-modal ticketing is popular with passengers on urban public transport in many cities within the UK, for example in Sheffield and Newcastle. These schemes promote the use of passenger transport and hence reduce road congestion and improve air quality. The development, investment and day-to-day running of these ticketing solutions are normally undertaken by private transport providers. The experience gained in running these large-scale schemes makes transport operators uniquely placed to take on the potential expansion to other modes.

Effective interventions to encourage sharing

As a partnership, UMP has developed and proposed three specific areas of intervention that will assist shared transport aims.

Mobility credits

Mobility Credits is a proposed scheme that would ask participants to scrap their diesel cars (Euro 1 to 5) to access funding to spend on shared transport options. This scheme presents a cost-effective use of the Clean Air Fund as, not only will the scheme remove some of the most polluting diesel cars from



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the roads, but it will also encourage people to think differently about how they travel and utilise other modes more effectively. The modes would include public transport modes (bus, train, tram, boat), private daily car rental and bikes. Mobility Credits therefore provide a flexible solution that addresses four key challenges.

1. **Health** – vehicle safety (through new safer vehicles on the road); reduced congestion leading to fewer road accidents; and the reduced impact of NOx emissions on public health.
2. **Environmental** – reduced emission levels and reduced dependency on private motor vehicles.
3. **Economic** – reduce the impact of punitive measures on those who can least afford it; benefits to local businesses through people engaging more with less congested city centres; increased revenues to public transport modes; productivity gains through a healthier populace; reduced demand on local health services through fewer air quality related health conditions.
4. **Convenience** – a convenient and incentivised system that encourages positive behaviour change.

UMP have engaged in numerous discussions around the UK and further information on potential roll outs of mobility credits are available on request.

Planning

The government could assist local authorities in delivering access to car club and car rental schemes by using planning legislation. For example, we recommend that the following is considered as part of the planning process and that the government considers amendments to the National Planning Policy Framework where necessary:

- a. When planning developments, it is important that consideration is given to options for severely limiting residential parking. This would allow the use of Section 106/75 funding for a car club provision as one of the major transportation solutions to local residents and would discourage the use of cars by residents. This is a particularly relevant consideration for residential developments in town or city centres but could equally apply to commercial or retail developments.
- b. Local authorities should also consider including more car club bays outside train stations and bus stations ensuring that these modes of travel become more integral parts of the wider transport mix and are perceived as a clear option for next stage travel.
- c. Local authorities should have the power to give preferential treatment to residential or commercial developments that seek to include car club provision within the plans, rather than seeking to include additional parking spaces.

Greyfleet

The term grey fleet describes any vehicles that do not belong to a company, but which are used for business travel. This might include a vehicle purchased via an employee ownership scheme or a vehicle privately owned by an employee.



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Public sector bodies and local authorities could save significant costs and reduce the number of high emission, older vehicles on the road if they switched from supporting grey fleet to a multi modal credit or offering.

A report by the BVLRA and the Energy Savings Trust shows that the public sector spends £786million per year on grey fleet travel; 40 per cent of this cost is generated from NHS trusts, with 34 per cent from local authorities and 16 per cent from the civil service. The grey fleet currently comprises 14 million cars, in total (including both public and private sector), equalling 40 per cent of all vehicles on UK roads. The report called on government to 'tackle the challenges' in its transport strategy, demanding a 50 per cent reduction in the UK's grey fleet mileage by 2020 by highlighting alternatives – particularly in the public sector. A 50 per cent reduction in public sector grey fleet mileage could result in a total saving of 157,000 tonnes of CO2 per annum.

UMP proposes that, instead of paying for the use of employees' own vehicles, public sector bodies could offer a multi modal credit for use on car club, car rental or public transport options. There are several examples where making the switch has saved money for local authorities of the public sector:

- Aylesbury Vale District Council, for example, has partnered with a car rental operator and has saved £90,000 in addition to halving emissions.
- York NHS Trust saved £24,000 through its car club pilot, which subsequently expanded to 10 sites.

We are working to educate public authorities around the UK of the benefits of transitioning away from greyfleet. We would also like to see advice from central government to local authorities encouraging a shift away from grey fleet and some incentives for moving towards car club and daily rental.

Conclusion

We hope the above information and submission is of interest. UMP partners may be willing to provide and share additional confidential information on request. The partners are also willing to provide additional oral evidence or to attend further meetings as part of this inquiry.

Please contact Laura Holloway at laura.holloway@jbp.co.uk or on 0207 267 0074 for further information.

Yours sincerely,

The Urban Mobility Partnership