



Future of Transport: rural strategy call for evidence

Response from:

British Vehicle Rental and Leasing Association

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Bona-fides

BVRLA, the industry and its members

- Established in 1967, the British Vehicle Rental & Leasing Association (BVRLA) is the UK trade body for companies engaged in vehicle rental and leasing.
- BVRLA membership provides customers with the reassurance that the company they are dealing with adheres to the highest standards of professionalism and fairness.
- The association achieves this by maintaining industry standards and regulatory compliance via its mandatory codes of conduct, inspection programme and conciliation service. To support this work, the BVRLA shares information and promotes best practice through its extensive range of training and events.
- On behalf of its 1000 members, the BVRLA works with governments, public sector agencies, industry associations and key business influencers across a wide range of road transport, environmental, taxation, technology and finance-related issues.
- BVRLA members are responsible for a combined fleet of over five million cars, vans and trucks, supporting around 465,000 jobs and contributing £49bn to the economy each year. For more information, please visit www.bvrla.co.uk.

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Introduction

The British Vehicle Rental and Leasing Association (BVRLA) represents over 1000 members in the vehicle rental and leasing sector. BVRLA members own and operate a combined fleet of over five million cars, vans and trucks. It purchases around 50% of all new vehicles sold in the UK, including an estimated 80% of new battery electric vehicles (BEVs).

It runs the [youngest, cleanest fleet on UK roads](#) and provides people and businesses with flexible, affordable access to road transport by the minute, hour, day, week, month or year. BVRLA members also advise their customers on how they can decarbonise or embrace more sustainable transport modes for their travel needs.

BVRLA members who provide flexible forms of transport such as car clubs and rental have a significant role to play in supporting behaviour change and shifting people away from their reliance on the car and private car ownership.

Issues facing rural areas & dependence on the private car

People living in rural communities are heavily reliant on the private car. In many cases the car will be the only viable mode of transport, particularly in areas with little or no public transport provision.

It is important to recognise the demographic of those living in more rural locations and the different reasons for travel. Rural dwellers will have to travel further to access key services, for employment and to avoid social exclusion. In some areas the private car will be the only viable mode of transport. Acknowledgement must therefore be given to the role of the private car with a focus on how cars can be used more sustainably through car sharing schemes such as car clubs and car rental. Consideration of how car sharing can complement other forms of transport is also essential.

Other factors not considered – connectivity

- There are many rural communities which struggle to get broadband or Wi-Fi connectivity and where there is no 4G network access. This is critical to the success of transport innovation which will benefit rural communities and meet the aims of the rural strategy.

Testing & trialling new technologies

Rural Mobility as a Service (MaaS) Pilots

Recent trials that BVRLA members have been involved in have shown that using car rental and car clubs as part of MaaS pilots has led to an increase in active travel and public transport.

There is growing evidence that flexible car use leads to:

- Fewer private cars on the road
- Reduced mileage
- Increased occupancy
- Increased car utilisation and
- Greater use of public transport and active travel

(Page 10 BVRLA's [Cars in the City report](#))

The Government should invest in trials of rural MaaS. This would provide the necessary evidence of how these journeys are just as convenient and a more cost-effective option for those wedded to their private car.

Assessments of the local demographic and travel patterns will be critical to the success of these pilots. There is also a clear need to highlight the benefits of MaaS in a more rural setting, for example how it can deliver economic benefit to the community by enabling and encouraging wider investment.

BVRLA members are ideally placed to work with Government to assess the viability of MaaS trials and what will work well where.

Grey fleet

Grey fleet consists of vehicles owned by employees in which business travel is carried out. [BVRLA research](#) conducted in 2016 highlighted how many organisations are unaware of the costs, environmental impact and duty of care risks associated with employees using their own vehicles in the course of their work.

Employee-owned vehicles are typically older and therefore more damaging to the environment, both in terms of carbon and emissions which contribute to poor local air quality.

The report also showed the scale of people using their own vehicles for work purposes and how this was the primary mobility solution used by certain areas of the public sector to deliver services in local communities. The research cited that 1.5 billion miles per annum were conducted in grey fleet vehicles in the public sector at a cost of £786 million.

There is a real danger that unless this area becomes a focus it will potentially act as a barrier to sustainable travel, particularly in more rural areas where there is a greater reliance on the private car.

Commuting

One way to trial car sharing in more rural settings would be via a type of scheme where BVRLA members offer a ride sharing solution for employees commuting to the same place/location of work. Utilisation is improved, not only through the sharing of the journey to and from work, but when the vehicle is parked up during the day it can also be used for business purposes therefore reducing the need for employees to use their own, potentially older and more polluting vehicle.

The role of government

MaaS

Government has a key role to play in terms of creating the environment and overall framework which will allow private sector investment and innovation in rural areas.

It will need to look at what is required for trials, such as rural MaaS trails, to be a success and to overcome obstacles such as the lack of connectivity through wider Government strategies.

Policy leadership is also crucial. Central government should provide support and guidance to local authorities to help them determine what constitutes 'good MaaS' – identifying examples and approving suppliers that work collaboratively to align deployment with local policy objectives.

Central government should also help prevent the adoption of 'bad MaaS' – where services are commoditised and aggregated by a single, dominant operator, leading to a misalignment with policy objectives and potentially damaging consumer confidence via higher prices and/or poor service provision.

We would also suggest that the government establish a rural transport taskforce as part of the delivery of new policy. The taskforce would bring together representatives for all transport modes, including shared car use, to work collaboratively to find solutions to common problems and to identify opportunities for joint working which are complimentary, plugging any gaps in service provision.

As more examples of good practice are gathered, central government could create a single source of insight that rural communities can contribute to and learn from.

Central government should continue to review rural MaaS pilots and work with the industry to identify areas where regulation may be needed to ensure consumer protection.

Grey Fleet

The Government should show leadership in this area by working with local authorities and public sector bodies, such as NHS Trusts, to develop guidance on how alternative transport policies can reduce the costs of grey fleet - financially and environmental.

Commuting

One area causing some concern is Benefit in Kind (BiK) tax. Particularly where pool cars cannot be used for commuting purposes without incurring a tax liability. We would welcome the opportunity to work with the Government to ensure that BiK is fit for purpose and that employees embracing innovative shared mobility solutions are not penalised.

The role of local authorities and sub national transport bodies

MaaS

It is critical to get local authority support and leadership to develop, deploy and co-ordinate rural MaaS provision in their area. The local authority has a key role in working collaboratively with mobility providers to set a clear strategy which ensures MaaS aligns with their broader policies and delivers positive outcomes. Public authorities should work with the private sector to develop bespoke mobility solutions and services for the communities they serve.

Local authorities should take responsibility for ensuring that MaaS trials are successful and must work with industry to understand and work through any potential barriers, for example where data sharing across different mobility providers is creating a barrier.

In relation to transport bodies, the government should ensure these entities have sufficient powers and funding to deliver transport projects on behalf of local authorities. This is particularly the case in relation to rural areas where consistent services will be needed across groups of local authorities in order to be effective in achieving policy aims.