



Transport Scrutiny Sub-Committee

Date	13 September 2021
Report title	Progress Report on West Midlands Cycle Hire Scheme
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Recommendation(s) for action or decision:

The Transport Scrutiny Sub-Committee is recommended to:

- (1) To review the progress to date of the West Midland's Cycle Hire Scheme ("WMCH Scheme").

1. Purpose

- 1.1. To advise on the WMCH Scheme's progress.
- 1.2. To advise on the future developments of the WMCH Scheme.

2. Background

- 2.1. TfWM terminated the contract with nextbike on 25 July 2019 and provided a public notice of termination on the TfWM and network west midlands website.
- 2.2. TfWM recommenced the procurement process which was finalised in December 2020 and appointed Serco as the successful supplier to deliver and manage the WMCH Scheme contract for a period of 5 years with an option to extend for a further 3 years.
- 2.3. £5 million was allocated from Transforming Cities Fund (TCF) to the WMCH Scheme to deliver 1500 bikes.
- 2.4. Following a competitive tender process Serco were identified as the successful operator of the WMCH Scheme and awarded the contract in November 2020.
- 2.5. West Midlands Cycle Hire is expected to create 25 new jobs in the region and support local business growth. The bike is built in Stratford-upon-Avon, the docking stations in Nuneaton, the electronics for the control system in Coventry and the locking mechanism in West Bromwich, all helping to support the local economy.
- 2.6. Serco will provide initially 1500 bikes, through a combination of 150 E-bikes and 1350 pedal bikes, within the West Midlands across all 7 local authority areas.
- 2.7. Serco will provide the infrastructure and a high-quality maintenance regime for cycles and docking stations over the 5-year contract period. There is an option to extend the contract by 3 years. The infrastructure is comprised of docking stations, which require no electricity inputs as the E-bikes are powered by interchangeable batteries. Advantageously, the docking stations can be easily relocated for large scale events, or there is the ability to use Geo-Fenced areas for short term overflow requirements such as festivals.
- 2.8. Phar Partnerships Limited have been appointed to engage with the Sponsorship market on behalf of TfWM. They will identify potential sponsors for the WMCH Scheme and will provide key support in negotiating revenue and duration of the sponsorship deal.

3. Progress

- 3.1. Delivery of the WMCH Scheme commenced across the West Midlands on 8th February 2021 with a pilot trial in Sutton Coldfield. This was open to only WMCA and Birmingham City Council employees to enable testing ahead of the roll out. This was followed by a public launch from 8th March 2021. The table below shows the successful roll out across the West Midlands until 30 July 2021.
- 3.2. Please note that E-bikes will be delivered in late Autumn 2021 due to international supply issues of parts. There are a few docks still to be installed due to licences, planning approval or agreements with Network Rail.

Area	Launch date	Number of docking stations and bikes (pedal) available
Sutton Coldfield	8th March 2021	7 stations, 40 bikes
Wolverhampton	8th March 2021	22 stations, 147 bikes
Coventry	29th March 2021	24 stations, 184 bikes
Stourbridge	26th April 2021	9 stations, 53 bikes
Solihull	28th April 2021	10 stations, 65 bikes
Walsall	30th April 2021	9 stations, 59 bikes
Birmingham	24th May 2021	61 stations, 449 bikes
Sandwell	21st June	10 stations, 68 bikes

4. Tariff

4.1 Currently pay as you ride is only available, although two new discounted tariffs will be available from September 2021 and will be reviewed regularly. All tariffs apply across the TfWM area.

4.2 Pay as you Ride costs:

- Pedal - £1 unlock fee + 5p per minute
- E-bike - £1 unlock fee +10p per minute
- The first 30 minutes of first journey is free currently for new users. This offer expires end of November 2021.

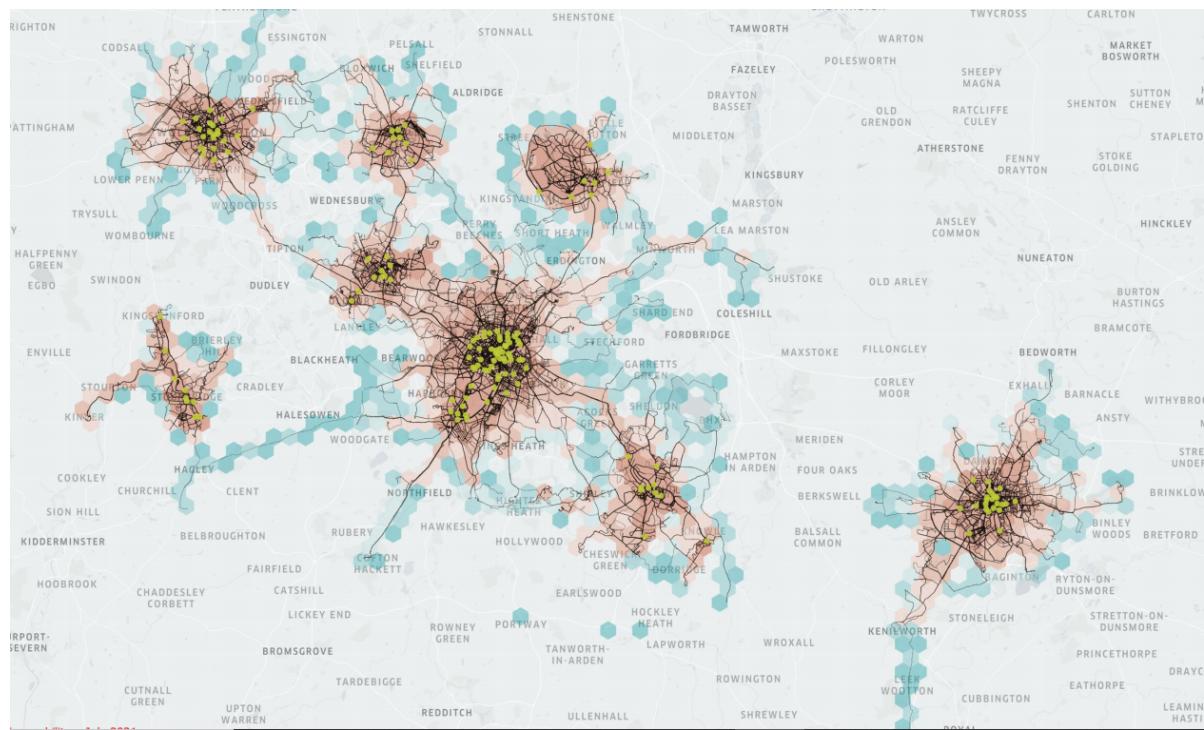
4.3 New Pedal bike tariffs (pedal bike only):

- Early Morning Offer – From 6am to 11am, users will only pay the 5p per minute (pedal only) – a 20-minute ride will cost £1 instead of £2.
- Minute bundles will enable users to pre-pay for use, avoiding the £1 unlock fee for pedal bikes. Users will be able to buy bundles for e-bikes with a £1 unlock fee for each ride from autumn 2021.

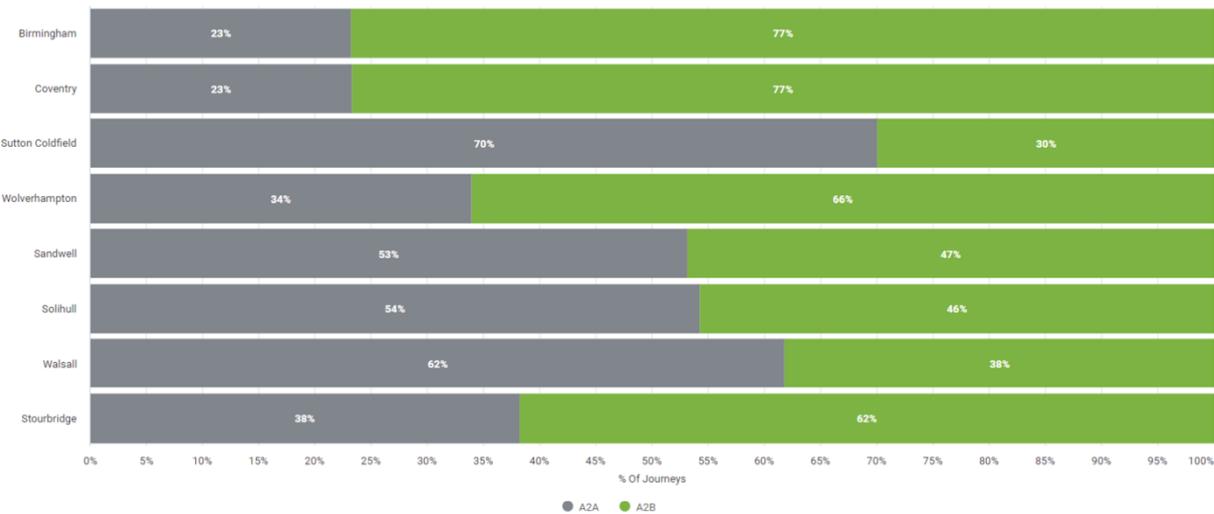
5. Analytics

5.1 The WMCH Scheme's successes is measured through data tracking of journey length and time, new and returning users and a range of analytics as part of a high-level monitoring and evaluation framework.

5.2 As of 25 July 2021, 87,000 journeys have been achieved, closing in on 100,000 journeys in August 2021. 38,500 users have successfully registered through the Beryl app. A significant portion of rides are short, achieving an average duration of 32 minutes and around 3.1km



- 5.3 The above figure shows journey data (GPS). Note the stronger the black line, the trips have occurred on this route. The docking station locations are represented by green dots. Journeys that are cross border are emerging since the WMCH Scheme fully rolled out.
- 5.4 Journeys are a mixture of A to A (same dock hire and return) and A to B (starting dock is different to ending dock) and this varies from each local authority area as the figure below exemplifies.



6. Added Value

- 6.1 The WMCH Scheme has worked closely with British Cycling to deliver a number of cycle skills sessions using the bikes over August 2021. These have been successfully attended and supported citizens to gain confidence cycling. From September 2021, work will commence promoting the WMCH Scheme across Freshers fairs and businesses.

7. Future Developments

- 7.1 There are several developments on the horizon including 24 new docking stations to be added to the network in autumn 2021, increasing the reach of the WMCH Scheme – sites include the University of Warwick.
- 7.2 Funding is being sought for increasing the number of bikes and e-bikes available across the region. These will be allocated across the region according to demand, infrastructure, demographics and with large scale events and in mind. There will be a blend of pedal and e-bikes.

8. Financial Implications

- 8.1 The Transforming Cities Fund (TCF) was announced for Mayoral Combined Authorities at the 2017 Autumn Budget. As part of the TCF, the West Midlands Combined Authority was awarded £321.5m through the Transforming Cities Fund (TCF) by the DfT to WMCA. This is made up of two separate tranches of funding, whereby the first tranche is £250m (TCF1) and the second is £71.5m (TCF2).
- 8.2 The TCF2 allocation was awarded following the Budget on 29 October 2018 and confirmed the WMCA allocation would be an additional £71.5m over and above the £250m which was announced in March 2018.
- 8.3 A total of £23m investment through Transforming Cities Fund (TCF) is included within the £321.5m total and has been allocated to support the ambition contained within the Cycling Charter to achieve £10 per head.
- 8.4 A sum of £5m out of the £23m TCF allocation towards cycling and walking has been allocated towards the WMCH scheme and has been utilised in order to set up the scheme and deliver the 1500 bikes
- 8.5 As per section 7.2 above, funding is being sought in order to increase the total number of bikes available. Any expansion to the scheme is subject to financial scrutiny in order to ensure that WMCA is not exposed to any undue risk. As per WMCA Board July 2020, and as WMCA as a public body cannot take on any undue financial risk exposure, a funding reserve provision of £4.6m had been set aside to manage WMCA exposure to losses over the 5-year period. This provision was set aside from TfWM re-prioritised resources.

9. Legal Implications

- 9.1 In accordance with Regulation 30 of the Public Contracts Regulations 2015 ("PCR 2015"), WMCA entered into an Agreement with Serco Limited dated 23rd November 2020 relating to the provision of services for the West Midlands Cycle Hire Scheme. Pursuant to the Change Control Request Procedure set out at schedule 7 of the Agreement, additional services such as increasing the number of Docking Stations and Bicycles (which includes e-bikes), are permitted under the terms of the Agreement. Legal Services shall liaise and work with the clients and Serco Limited to ensure that the requisite documentation is completed in accordance with Schedule 7 of the Agreement and any amendments required to the Agreement (including schedules) are captured accordingly.

10. Impact on Delivery of Strategic Transport Plan

- 10.1 The current West Midlands Local Transport Plan: “Movement for Growth, strategic transport plan (2016)”, is currently being reviewed. The new LTP will fully incorporate the West Midlands LCWIP as a fundamental element of the transport approach to meet 5 motives for change:
- Tackling the climate emergency
 - Creating a fairer society
 - Supporting local communities and places
 - Becoming more active
 - Sustaining economic success

- 10.2 Higher levels of walking and cycling, through improved infrastructure and supporting measures, are integral to the plan.

11. Equalities Implications

- 11.1 The Cycling Charter Action Plan does not result in any negative disproportionate impact for any of the protected characteristics. It is envisaged that the programme will have a positive impact on all protected characteristics. Equality monitoring of participation on all related events and training shows that the participants are representative of the West Midlands Metropolitan area population – in terms of gender, age, disability and ethnicity.

- 11.2 There will be opportunity to engage with adapted bikes for people with special needs in a bike share scheme.

12. Inclusive Growth Implications

- 12.1 Encouraging cycling and walking in the West Midlands LCWIP supports inclusive growth by supporting the following themes:

- Affordable, safe, and connected places
- Sustainability
- Health and Wellbeing
- Equality
- Economy

- 12.2 A high proportion of West Midlands residents have no access to a pedal or e-cycle. Cycle hire schemes improve access to cycles for those who cannot afford or have the required space for a cycle. They also important in supporting the last mile of multi-modal journeys. Moreover, active travel encourages people to combine physical activity as part of their journey which has a positive impact on health and wellbeing as well as air quality.

- 12.3 As accessible and low-cost modes of transport, cycling and walking can help people access their local high streets, jobs and education.

13. Geographical Area of Report's Implications

- 13.1 Transport for West Midlands will work with the Constituent Local Authorities to manage cross border relationships and align cycling and walking schemes to ensure consistency in access and quality. Approximately 57% of all journeys (all modes) in the West Midlands cross an administrative boundary (of one of the seven constituent local authorities).

14. Other Implications

- 14.1 Improving cycling and walking provisions to increase levels of active travel will have a positive impact on air quality, physical and mental health.