



WMCA Board

Date	13 October 2017
Report title	West Midlands Common Approach to Cycling: Bikeshare
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Report to be/has been considered by	Strategic Transport Officers Group - 12 September 2017 Programme Board - 28 September 2017

Recommendation(s) for action or decision:

The Combined Authority Board is recommended to:

1. To approve the adoption of a single bikeshare scheme across the WMCA constituent area.
2. To approve that TfWM be the lead organisation for a West Midlands Bikeshare scheme.
3. To approve any sponsorship for a bikeshare scheme is sourced by the supplier as long as the sponsor qualifies as appropriate under WMCA policy.
4. To approve a single bikeshare scheme that is zero cost to the WMCA and to approve the ability for the WMCA and the supplier to profit share, if the scheme makes a profit.
5. To approve that the West Midlands Bikeshare scheme is integrated with Swift.

6. To approve the route to procurement recommended by the WMCA Procurement Team.
7. To approve that the WMCA or associated Local Authorities are not to enter into any agreement with a dockless bikeshare supplier.

1.0 Purpose

- 1.1 To advise the WMCA board on the recommended approach to developing a single approach cycle hire across the West Midlands.

2.0 Background

- 2.1 The West Midlands Cycling Charter was adopted in September 2015 to outline key principles among partners to deliver a required step change in cycling across the West Midlands.
- 2.2 A detailed Action Plan was outlined in September 2015 and is currently being delivered with the target of increasing levels of cycling to 5% of all trips by 2023.
- 2.3 The Cycling Charter is based on the following four principles:
- Leadership and Profile
 - Cycling Network
 - Promoting and Encouraging Cycling
 - Funding
- 2.4 From the core principles of the Cycle Charter an action was to investigate a bikeshare system for the West Midlands. This is also noted as priority action from the West Midlands Physical Activity Strategic Framework, '*West Midlands on the Move*'.
- 2.5 Since 2016, Local Authority partners and TfWM have been investigating the potential for bikeshare within the region.

3.0 Impact on the Delivery of WMCA Strategic Plans

- 3.1 *Movement for Growth's (MfG) (Metropolitan and Local Tiers)* – the key MfG policy is the development of a strategic cycle network which will be progressively integrated with the local cycle. The ten year delivery plan also commits to several cycle schemes which will showcase and support a new West Midlands Strategic and Local Cycle Network Programme. This is in line with the Mayor's commitment to spend £10 per head on cycling. Moreover, a secure and safe strategic network will enable greater take-up of a bikeshare scheme as well as overall increase cycling participation levels.
- 3.2 MfG policies that are supported include:
- Policy 1 – To accommodate increased travel demand by existing transport capacity and new sustainable transport capacity.
 - Policy 3 – To maintain existing transport capacity more effectively to provide greater resilience and greater reliability for the movement of people and goods.
 - Policy 4 – To improve connections to new economic development locations to help them flourish, primarily through sustainable transport connections.
 - Policy 6 – To improve connections to areas of deprivation.
 - Policy 8 – To improve connections to new housing development locations to help them flourish, primarily through sustainable transport connections.
 - Policy 10 – To help tackle climate change by ensuring a large decrease in greenhouse gases from the West Midlands Metropolitan Area's transport system.
 - Policy 11 – To significantly increase the amount of active travel in the West Midlands Metropolitan Areas.
 - Policy 12 – To significantly reduce road traffic casualty numbers and severity.

- Policy 13 – To assist with the reduction of health inequalities in the West Midlands Metropolitan Area.
- Policy 14 – To increase the accessibility of shops, services and other desired destinations for socially excluded people.

3.3 *WMCA's Health and Transport Strategy* is a key document to demonstrate the important relationships between health, wellbeing, and wealth and highlights that the way people travel has an important part on both their physical and mental health. The establishment of a Bikeshare Scheme will then help contribute to greater levels of physical activity during travel, which in turn will help reduce obesity and associated - saving £17 billion in NHS costs over 20 years.

3.4 *West Midland's On the Move Strategic Framework* recognises the importance of walking and cycling to encouraging more people to adopt an active lifestyle, reducing the west midlands chronic levels of physical inactivity and in turn improving both physical and mental wellbeing, whether by cycling for leisure or to work. Public Health England predicts that getting 1 more person to cycle to work rather than go by car could generate between £539-£641 public health saving long term.

3.5 Besides health implications, the West Midlands area suffers from significant air quality problems. Public Health England figures showing approximately 1,500 adults deaths each year attributes to poor air quality in the West Midlands. Introducing policies like Clean Air Zones (CAZ) will improve air quality and contribute significantly to our Health and Transport policies. Encouraging active travel, in this case through bikeshare schemes will form a key element of our overall approach to improving air quality and the health of our residents, as well as reduce the number of motorised vehicles on the road.

4.0 Wider WMCA Implications

4.3 Transport for West Midlands (TfWM) and the Constituent Local Authorities will work collaboratively to strengthen cross-border relationships and align cycling and walking schemes to ensure consistency in access and quality.

4.4 Several members of the West Midlands Cycling Charter Group have remits that cover the wider WMCA 3 LEP geography.

5.0 Bikeshare

5.3 A West Midlands Bikeshare Feasibility study was commissioned in June 2017 and completed in August 2017. ITP, the appointed consultant, was tasked with creating recommendations for the operation and demand of a cycle hire system for the West Midlands. The objective was to make this zero cost to the WMCA and Local Authorities. Throughout the feasibility study, the Local Authority partners, hereon known as the Project Team were engaged. A Project Team meeting has been set up to move forward the scheme, meeting on a regular basis as needed.

5.4 An open day as part of the feasibility study was held at the WMCA on the 19th July 2017. Nine suppliers attended the open day to discuss their scheme, including docked and dockless bikeshare systems.

- 5.5 The Feasibility Study recommended that a singular West Midlands approach is taken to bikeshare as it benefits from user consistency, is tidier to implement and manage, as well as benefits from cost savings of scale. It is recognised that a significant number of journeys are cross border (54%) in the West Midlands, supporting that a singular approach will provide a consistency of standards, access and usability for West Midland's residents.
- 5.6 Secondly, the Feasibility study recommended that a high quality docked system was more suitable due to the criteria of needing to manage the city scape within urban centres and to support the objective of developing a high quality scheme. Although, the study recognised the benefits of dockless bikeshare systems, these are still in very early development stages in Europe and have implications for streetscape and cycle crime, including cluttering.
- 5.7 The Feasibility study recommended areas of potential high demand in the West Midlands. This study has included an analysis of the top 10% of areas where bikeshare should be considered and is likely to be most successful. These include Birmingham city centre, Wolverhampton city centre, in the polycentric centres of the Black Country, Coventry centre and suburbs and Solihull town centre and NEC.
- 5.8 The study recommended a low level estimate of around 3,000 and a high level estimate of around 9,000 bike share bikes for the West Midlands. It is proposed in the Sponsors Remit/Project Brief that we procure between 3000-5000 bikes based on the study and potential for the region.
- 5.9 The feasibility study highlighted that a bikeshare scheme that is zero cost to the WMCA or Local Authority is feasible. It is also highlighted that sponsorship was key to a regional bikeshare scheme as a docked bike share system would have an income generation shortfall of around 700,000 (based on 3000 bikes). Depending on the size of the bikeshare scheme (3000-9000 bikes), it was recommended an income was found through sponsorship of a value between £1-3 million per annum. Capital outlay would need to be between £1,250-2000 per smart bike unit and between £3000-4000 per electric bike unit (by unit this includes costs for the stations and bicycle).
- 5.10 The feasibility study presented a number of options for sponsorship, including procurement of the sponsor through the WMCA or a sponsor could be gained through the supplier as part of the contractual arrangements. A Sponsorship contract would be expected to run for a period of 5 years and would cover the shortfall in revenue. Any sponsor would be expected to be appropriate and in line with WMCA sponsorship policy.
- 5.11 There are two presented options from the report on the capital outlay. Capital investment could be gained through the supplier, which could be procured by the WMCA via a zero value tender or capital raised by the WMCA. There may also be potential for revenue sharing if the scheme becomes profitable. A zero value tender route is recommended as the initial approach to tender and is currently being scoped and designed by the consultants appointed to undertake the feasibility study. .
- 5.12 A number of dockless bikeshare suppliers have approached Local Authorities during the last year. As this is not the approach to bikeshare TfWM is proposing to take forwards, it is recommended that across the 7 constituent Local Authorities no agreement or MOU is entered with any dockless bikeshare supplier. There will be a need to convey and share this information across all the WMCA and Local Authorities.

6.0 Financial Implications

6.1 In section 5.1, the stated objective is to make this zero cost to the WMCA and Local Authorities. In reality there will be some costs involved in integrating the Bikeshare scheme with SWIFT, together with low level administrative and marketing costs liaising with the Supplier, and initial promotion of the scheme across the West Midlands. In addition, there are likely to be costs associated with land permissions and liaison with Local Authority Planning Departments and other land owners such as Network Rail, where landlord consents may be required.

Costs of routine management tasks in reviewing progress against the scheme will also need to be considered

Consideration of the options around Sponsorship will need to be explored to understand the opportunity for any potential profit share with the Supplier, whilst conversely limit any exposure to loss.

7.0 Legal implications

7.1 Commercial: all appropriate procurements will need to be put in place, competition law issues being resolved and appropriate contract terms and conditions being entered into in respect of the proposed project.

7.2 Depending upon where any assets are located, third party and/or highway consents and licences may be required.

8.0 Equalities implications

8.1 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.

8.2 People with special needs or physical disabilities are referred to programmes in the region that use adapted bicycles. Wheels for All is an initiative organised by Cycling UK in various locations across the UK including the West Midlands (Coventry, Birmingham and Solihull).

9.0 Other implications

9.1 Increasing cycling and walking helps improve public health, air quality, reduce carbon emissions and reduces overall noise pollution.

10.0 Schedule of background papers

- 10.1 West Midlands Cycling Charter
- 10.2 Problem and Opportunity Statement for Cycle Hire
- 10.3 May's STOG report –Common Approach to Cycling
- 10.4 Final Version of Bikeshare Feasibility Study

Glossary

Word / Acronym	Explanation
BCC	Birmingham City Council
BCR	Birmingham Cycle Revolution
DfT	Department for Transport
LA	Local Authority (constituent)
LEP	Local Enterprise Partnership
LGF	Local Growth Fund
LSTF	Local Sustainable Transport Fund
20MPH	20 Miles Per Hour – speed limit for safer roads especially around schools, residential areas etc.
MfG	Movement for Growth
MST	Managing Short Trips – programme of cycle infrastructure improvements in the Black Country
NWCP	Network Wide Cycling Plan
NWM	Network West Midlands
STDEP	Sustainable Transport Delivery Excellence Programme
STOG	Strategic Transport Officers Group
TfWM	Transport for West Midlands
WMCA	West Midlands Combined Authority