

READING BOROUGH COUNCIL

REPORT BY INTERIM DIRECTOR OF ENVIRONMENT, CULTURE & SPORT

TO:	CABINET		
DATE:	14 MARCH 2011	AGENDA ITEM:	16
TITLE:	BICYCLE HIRE SCHEME		
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SERVICE:	TRANSPORT	WARDS:	ALL
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 To inform Cabinet of current investigations into a Bicycle Hire Scheme for Reading to form part of the urban public transport system. These investigations look at the numbers of bicycles, docking stations, cost implications and other parameters to make such a scheme both viable and successful, as well as the likely steps required to implement such a scheme. As Reading is comparatively flat and the extent of the urban area is such that many local journeys have the potential to be undertaken by bicycle. Therefore it is considered that a bicycle hire scheme is a sustainable form of transport that could be exploited and cross boundary opportunities for a future scheme are also being explored.
- 1.2 Appendix 1: Examples of Bicycle Hire Schemes in other cities
Appendix 2: Possible docking locations in Reading
Appendix 3: Photos of other bicycle hire schemes

2. RECOMMENDED ACTION

- 2.1 To note the findings of the investigations into a major Bicycle Hire scheme undertaken to date.
- 2.2 To agree that these investigations be pursued to inform a full business case for a large scale Bicycle Hire scheme in Reading.

3. POLICY CONTEXT

- 3.1 The draft Local Transport Plan 2011-2026 and its daughter document, the Public Transport Strategy identify cycle hire as a potential component of the public transport system for Reading and of any transport interchange location. The policy on cycle hire is that it should offer significant benefits to potential users (e.g. physical activity opportunities and health, no need to own or maintain a bicycle) and also benefit the local environment (e.g. reduce congestion, improve air quality). The White Paper on Local Sustainable Transport also refers to cycle hire as a potential component of an interchange scheme or a smart ticketing project.

4. THE PROPOSAL

4.1 Current Position

- 4.1.1 In 2010, 3.2% of trips recorded by the annual survey of trips into central Reading were by bicycle (6,400 cycle trips in a 12-hour period). If this level of cycling is factored up to reflect all trips around, to and through Reading, current levels of cycling are likely to be around 25,000 trips per day.
- 4.1.2 Reading currently is host to a small OYBike cycle hire scheme, with approximately 15 bicycles at 3 docking locations, sponsored by Green Park and First Great Western. The arrangement between OYBike and Green Park enables employees to use OYBikes for free and it is understood that they do make use of the facility to cycle at lunch hours, etc. OYBike report only sporadic use by paying customers at Reading Station. Overall, such a small scheme makes little impact on increasing cycling or cycle use in Reading.
- 4.1.3 In comparison, larger and more successful cycle hire schemes (e.g. Paris, Montreal, London) have much greater numbers of bicycles, extensive geographical coverage and high profile publicity (see Appendix 1). These schemes see each bicycle used 5-10 times every day. If a proportionately equivalent scale scheme were to be introduced in Reading, it would have the potential to increase cycling by 40% (approximately 10,000 additional trips per day).

4.2 Options Proposed

- 4.2.1 If Reading is to have a successful cycle hire scheme, it is estimated that around 1,000 bicycles would need to be available from some 100 to 150 locations around the urban area, making this the largest UK bicycle hire scheme outside of London. Each docking station would therefore typically hold between 5 and 15 bicycles, depending on levels of use. Important interchanges would require more docking facilities. The bicycles would be publicly available to use for short journeys around Reading, based on a smart tag and registration scheme. The locations would be optimised to offer all Reading residents, employees and visitors cycle hire as a public transport option within 300-500m of their home, workplace or access point to Reading (e.g. rail stations, park and ride sites). A map outlining potential locations is attached (Appendix 2) and the possibility of cross boundary options are also being explored.
- 4.2.2 Docking stations at each location would need to be secure and flexible, with an overall ratio of docking points to bicycles of at least 1.7 to 1, and appropriate operational systems in place to move bicycles and docking stations to where they are needed and keep them fully maintained. The bicycles themselves would need to be robust to withstand vandalism and be easy to use - there are internationally recognised suppliers of suitable equipment. It is not recommended that locks be provided, as this would encourage retention of bicycles for longer periods rather than returning them for others to use. The pricing structure (possibly the first half hour free) would also encourage users to return bicycles to docking stations quickly for others to use. The system to access the bicycles and pay for any longer period

of hire is intended to be fully integrated with bus smartcard accounts and other future smart ticketing infrastructure.

4.2.3 In order to move from an outline business case to implementation of such a scheme, there are a number of key steps:

- Establish an evidence base to forecast use and optimise bike numbers/locations;
- Confirm the scheme's scope, technical parameters and operational specifications;
- Undertake any land negotiations or submit appropriate planning applications;
- Negotiate sponsorship agreement and undertake procurement to contract.

4.2.4 Officers have begun compiling existing data that will give relevant evidence and have also reviewed schemes elsewhere to assist in defining general parameters of success and viability, as described above. Further evidence will be gathered throughout the spring and summer, through the annual cordon counts and also via programmed surveys being undertaken for the EU RoCK project and LTP monitoring. An outline business case has been prepared to facilitate initial investigation of possible sponsorship agreements. As negotiations are progressed, future information will need to include full operational specifications and comprehensive details on the majority of proposed locations and numbers of bicycles that will fit at those locations with some engineering and planning certainty.

4.2.5 Initial estimates indicate an annual cost of between £1,500 and £3,500 per bicycle for installation (not including land/planning costs) and full management of the system. Therefore, the next steps are to initiate discussions with potential operators/suppliers to ascertain the likely specifications that can be delivered for different levels of cost, and to survey the potential locations outlined in the map in Appendix 2 to determine viability, such as whether there is highway land available for docking stations. This, along with the further evidence gathering described above would enable the development of a full business case to form the basis for tendering for a supplier/operator and negotiation with potential sponsors. Reading will be seeking user friendly and visually attractive bicycles in order to raise the profile of the scheme and the level of usage.

4.3 Other Options Considered

4.3.1 It is an option to introduce a small pilot bicycle hire scheme and expand gradually, but the available evidence from other towns and cities shows that successful schemes have all been substantial in size from the outset. It is only these large schemes that have justified the necessary marketing expense and that have had the ability to attract significant sponsorship to make the scheme successful and to offset ongoing costs. Small schemes tend to have low take-up and minimal impact on mode share.

4.3.2 Therefore, although a small bicycle hire scheme or pilot has been considered, it is not recommended. It is felt that such a scheme would be unlikely to be successful and would not be viable, not just in ongoing cost terms and sponsorship options, but also in terms of achieving public health or environmental benefits.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 A bicycle hire scheme would contribute to the Council's strategic aims:
- To Develop Reading as a Green City with a sustainable environment and economy at the heart of the Thames Valley
 - To promote equality, social inclusion and a safe and healthy environment for all
- 5.2 As a bicycle hire scheme has been determined to meet LTP3 objectives, it would also support the themes of the emerging Sustainable Community Strategy 2011 to contribute to the inclusion and health of people by creating more opportunities for cycling, helping to build a more sustainable place. In addition there are substantial health benefits associated with increased physical activity and cycling is one way of promoting this. We continue to work closely with the health authorities and are aware of the future transition to local authorities of their public health functions.

6. COMMUNITY ENGAGEMENT AND INFORMATION

- 6.1 The principles of a cycle hire scheme for Reading have been discussed at the Transport Users Forum and Cycle Forum. Wider consultation would be proposed over the summer through the evidence-gathering process.

7. LEGAL IMPLICATIONS

- 7.1 If a major bicycle hire scheme is pursued, contracts would be required with both a supplier/operator and with a sponsor.

8. FINANCIAL IMPLICATIONS

- 8.1 A major bicycle hire scheme would only be financially viable if external funding and sponsorship is achieved. Funding sources are being identified, however, further investigations into the evidence for use, viability of sites and scheme specifications are required before a full business case can be completed.
- 8.2 The financial implications arising from the proposals set out in this report are set out below:-

Revenue Implications

	2010/11 £000	2011/12 £000	2012/13 £000
Employee costs (see note1)	10	20	
Other running costs	10	35	
Capital financings costs			
Expenditure	20	55	
Income from:			
Fees and charges (see note2)			
Grant funding (specify)			
Other income			
Total Income	0	0	

Net Cost(+)/saving (-)	20	55	
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- 8.3 The net cost of the proposal, which at this stage refers to outline scheme design and to the development of a full business case, can be funded from existing transport budgets.

9. BACKGROUND PAPERS

- 9.1 None

Appendix 1: Examples of Bicycle Hire Schemes in other cities

Paris (105 km²): Velib' system of 20,000 bikes and 1,500 docking stations operated by JC Deceaux

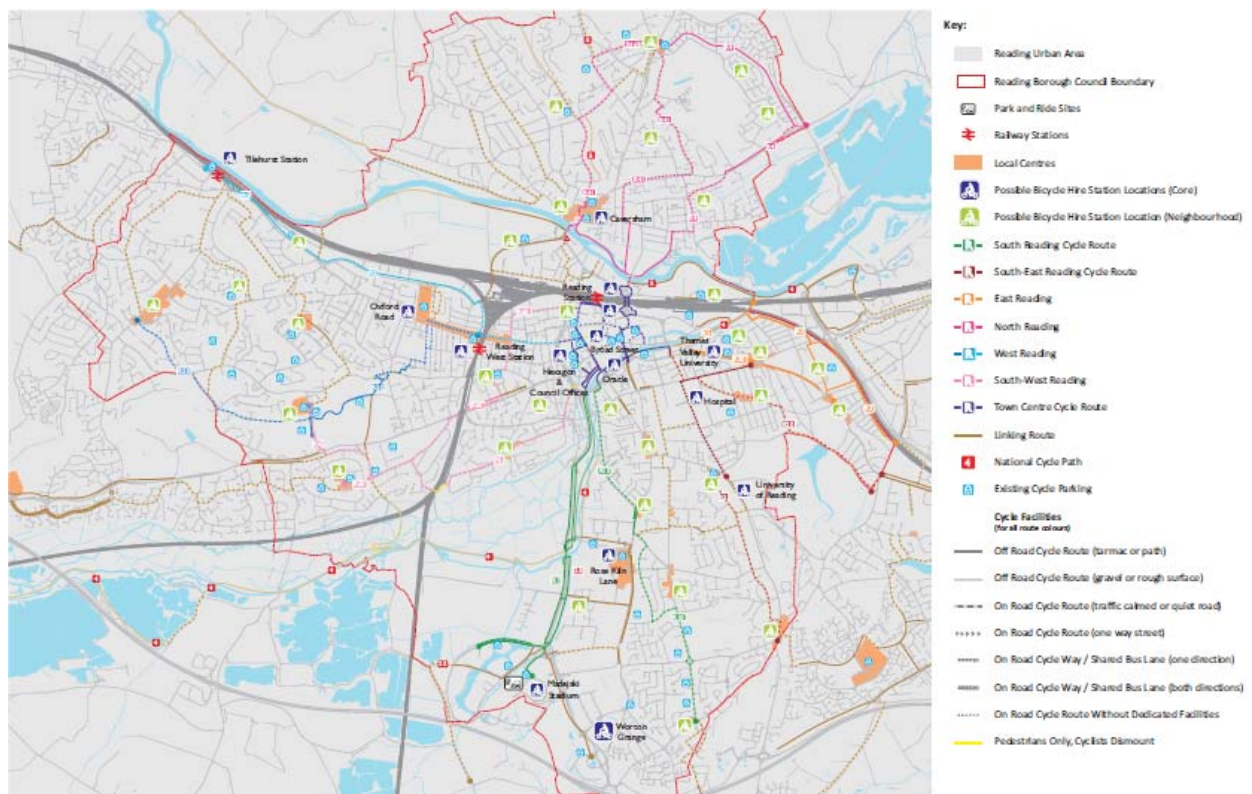
Montreal (360 km²): 5,000 bikes and 400 docking stations operated by bixi

London (Inner London = 320 km²): 6,000 bikes and 400 docking stations to be increased to 8,000 bikes and 600 docking stations operated by SERCO (in partnership with bixi)

Cardiff (Central Area = 7 km²): 70 bikes and 10 docking stations to be increased to 100 bikes operated by OYBike

Reading (Borough = 40 km²): 15 bikes and 3 docking stations operated by OYBike

Appendix 2: Possible docking locations in Reading (large version to be available at meeting)



Appendix 3: Photos of other bicycle hire schemes



Paris



Dublin



London

