



Subject:	Coca-Cola Zero Belfast Bikes update
Date:	14 th October 2015
Reporting Officer:	Donal Durkan, Director of Development
Contact Officer:	Anne Doherty Planning & Transport Officer

Is this report restricted?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	To provide an update on Coca-Cola Zero Belfast Bikes, the Belfast public bike share scheme which was launched on the 27 th April 2015.
2.0	Recommendations
2.1	Members are asked to note the following key issues:
2.2	<ul style="list-style-type: none">• The performance of the Belfast Bikes scheme in the first five months of operation (Appendix 1) and a sample of the positive customer feedback received (Appendix 2);• The need to sustain membership and subscriptions in order to meet Year 1 targets through ongoing marketing and promotion of the scheme. Additional resources for ongoing marketing and promotion of the scheme are currently being considered;• The progress of Phase 1a expansion, which should alleviate pressure in areas of current high demand; and• That progress on Phase 2 expansion and proposals will be brought back to Committee for further consideration and approval.

3.0	Main report
3.1	<p>Background</p> <p>The development of a public bike share scheme was identified as a partnership project in Belfast City Council's Investment Programme 2012-2015. The Council secured £1.1 million funding from the DRD Active Travel fund, which covered the capital cost of Phase 1 of the scheme of 300 bikes and 30 docking stations located in the core city centre area. The Council has committed to covering the annual running costs of operating and maintaining the scheme over a six-year contract. It was agreed that future phases would be dependent on evaluating the success of the first phase, together with securing the additional capital and revenue monies necessary to support any extension.</p>
3.2	<p>Membership and Usage</p> <p>The Belfast Bike scheme has proved extremely popular since its launch on the 27th April. In the first 5 months of operation there have been over 95,000 trips taken on the bikes with the milestone of 100,000 journeys expected to be reached by mid October. It has outperformed other UK schemes such as Glasgow Bike Hire which only reached 100,000 trips after 14 months of operation - a larger 400 plus bike scheme. There are over 9,700 customers registered through the Belfast Bikes website of which 4,764 are subscribers (2,991 annual and 1,773 casual). In addition a number of large companies have approached the Council to explore the potential for corporate memberships covering a number of staff.</p>
3.3	<p>The majority of journeys on Belfast Bikes occur on weekdays (Monday to Friday) with a record day on Thursday the 2nd July of 1,197 trips. There is high demand in certain areas, causing pressure on the docking stations with redistribution of bikes required at peak times (mainly 8am to 9.30am) at Bradbury Place, Gasworks, and Central Station as the stations empty quickly. The busiest station is at the Odyssey with a high number of rentals and returns throughout the day. Extra capacity would also appear to be needed at the docking stations at Alfred Street and Linenhall Street office areas. Stations near commuter hubs (Central Station and Blackstaff Square) are utilised mostly at morning and evening peak times. Performance information has been included in Appendix 1.</p>
3.4	<p>In relation to early demographics data for users, whilst the registration process does not record the age of users, the breakdown of gender shows 57% male and 43% female have subscribed to use the scheme.</p>

Operational issues

3.5 There were a number of technical issues in the first month of operation, mainly with the full functionality of station terminals. This is to be expected with the introduction of a new system and updates to software and operating processes have resolved the majority of these minor issues. The App has received very positive feedback and can be used to rent bikes very efficiently and quickly.

3.6 There are ongoing operational issues linked to customers not returning bikes securely to the docking points which has resulted in a number of bikes going missing. As a measure to address this, the operator is working to inform users on the correct process via emails and on-site demonstrations.

3.7 There have also been incidents of vandalism to the infrastructure which are higher than anticipated and ongoing. These resulted in the temporary closure of the docking station at Stewart Street for several weeks at the end of August. Work is ongoing with the operator, local community representatives and PSNI to address this problem.

Phase 1a

3.8 An extension to Phase 1 was agreed at the SP&R Committee on the 19th June to service Queens's University and Titanic Belfast. The planning and design of the Phase 1a extension is currently underway and includes two new stations at Queens University (16 docking points outside the QUB Students' union, University Street and 14 docking points located at College Green outside Queens Library and the entrance to Botanic Gardens) and one new station in Titanic Quarter. Construction is planned for mid October and it is hoped the stations will be operational by the end of October. The costs for construction of these stations will be met by Titanic Quarter Limited and Queen's University Belfast. This extension should help address the high demand on the existing stations at Odyssey and Bradbury Place.

3.9 It is hoped this additional capacity will have a positive contribution on the overall running costs by increasing usage and attracting additional membership with the associated subscription and usage income. There is an associated revenue cost of extending the scheme (approx. £6k per annum per location) which was approved by SP&R committee on the 19th June.

	<p>Phase 2 expansion</p>
3.10	<p>SP&R Committee on the 19th June agreed that options for the Phase 2 expansion could be explored by Council officers. Work is currently progressing on options for extending the bike scheme and further details on locations and potential costs will be brought back to a future meeting for consideration. The Committee may wish to note that a number of organisations have expressed their willingness to contribute towards the capital costs of this expansion and officers are progressing discussions with the Belfast Trust to cover three hospital sites (The City Hospital, The Royal Hospital and The Mater Hospital) and the Department for Social Development to fund potential bike stations in Building Successful Communities' pilot areas adjacent to the city centre.</p>
3.11	<p>Officers are currently in discussions to clarify the potential contribution to address the full costs of expansion; however it should be noted that the offers of support have been for physical installation and there is a significant associated revenue cost of extending the scheme. As outlined at the previous Committee an annual revenue cost of approximately £6,000 per annum per station is incurred for any expansion and any increase would be subject to Council consideration and approval.</p>
	<p>Performance targets</p>
	<p>Membership</p>
3.12	<p>The target for uptake of membership in the first year of operation is 3% of the city population which equates to approximately 10,000 subscribers. Whilst the number of subscriptions for annual membership has been high in the first months the trend has declined during August and September. At the end of September there were 3,000, paid subscribers and it is anticipated that the additional capacity at Queens and Titanic Belfast will attract additional membership / subscriptions. The separate casual category of subscriptions has been increasing at a steady rate over the five months since the launch but this upward trend may decline as visitor numbers reduce over the winter months.</p>
3.13	<p>In order to meet the target of 10,000 subscribers in year 1 of operation there is an ongoing requirement to carry out demand stimulation activities with the operator and sponsor. The ongoing marketing and promotion of the scheme is essential to maintain awareness of availability and merits of bike share, the focus will remain on the benefits of using the scheme to the individual and city as a whole and to drive up membership. This has been resourced for the first year of operation and Committee, through a future report, may be asked to consider support for the allocation of resources in 2016/17 towards the ongoing</p>

	development, marketing and promotion of the scheme.
	<p>Income</p> <p>3.14 The outline business case for the Bike Scheme estimated an income of £266,340 from subscriptions and usage in Year 1, with a projected deficit for the annual running cost of £56,440 to be covered by the Council. In the first 4 months of operation the income is approximately £87,000 from subscriptions and usage. Whilst this would be on target on a projected basis it should be noted that income is likely to be lower during the winter before increasing again in spring. The position will continue to be reviewed and to sustain membership subscriptions and usage of the scheme in line with targets. Resources are being allocated to ongoing marketing and promotion of the scheme.</p>
	<p>Customer Feedback</p> <p>3.15 Feedback from customers via social media, emails and feedback sessions held at PLACE on the 30th September and 1st October has been very positive and shown great support for the scheme. The main request from the feedback is to expand the scheme quickly. It is recognised multiple times in the media (social media and newspapers) that Belfast Bikes is having a reputational impact in the city and improving the image of the city for residents and tourists citing that Belfast now feels like a ‘normal European city’. Feedback from social media also shows a wide age range using the scheme and in particular novice riders. Further details of customer feedback are included in Appendix 2.</p>
	<p><u>Financial & Resource Implications</u></p> <p>3.16 None</p>
	<p><u>Equality or Good Relations Implications</u></p> <p>3.17 None</p>
4.0	Appendices
4.1	<p>Appendix 1 – Performance Information</p> <p>Appendix 2 - Belfast Bikes Customer Feedback</p>