



Subject:	Update on Belfast Bikes Scheme
Date:	5th June, 2019
Reporting Officer:	John Greer, Director of Economic Development
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Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

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

1.0	Purpose of Report/Summary of Main Issues
1.1	To update Members on the performance of the Belfast Bikes scheme in Year 4 of operation and provide details of the strategic review process and timetable.
2.0	Recommendation
2.1	The Committee is requested to: <ul style="list-style-type: none">• note the update of the Just East Belfast Bikes performance for Year 4;• note the methodology for the strategic review, as agreed by the Committee in January 2019; and

	<ul style="list-style-type: none"> agree the proposed process for engagement with elected Members on the strategic review through the Area Working Groups in August and a presentation of draft findings and recommendations to Committee in September 2019.
3.0	Main Report
	<u>Key Issues</u>
3.1	Background information on the scheme is outlined in Appendix 1 and a summary of the main issues is outlined below:
	<u>Expansion of the Scheme</u>
3.2	5 new stations have been installed in Year 4, as outlined below: <ul style="list-style-type: none"> Skainos (operational from 27/08/2018), Fraser Pass (operational from 10/01/2019) and Connswater Shopping Centre (operational from 11/09/2018). (Funded by the Inner East, Urban Villages programme, NI Executive Office) Carlisle Circus (operational from 18/12/18) (Funded by the Department for Communities, Building Successful Communities programme). All State – (operational from 23/07/2018) (Funded by planning agreement with All State).
	<u>Relocation of 5 Stations</u>
3.3	Members will be aware that, in September 2017, the Committee agreed new locations for 5 under utilised stations in the city centre. The stations were relocated to the areas outlined below: <ul style="list-style-type: none"> Stranmillis Roundabout - (operational from 26/07/2018) Catalyst Inc Titanic Quarter - (operational from 30/08/2018) Rosetta Roundabout, Ormeau Road - (operational from 15/08/2018) Ormeau Bridge / Ormeau Park - (operational from 01/08/2018) and Mid Ormeau, Ormeau Road – (installation expected May 2019).
3.4	This approach was to allow a better deployment of the existing resources to increase usage and membership income without increasing the management cost. The relocated stations have been performing well in terms of usage with all in the top 50% for usage. Ormeau Park station is now the most popular station in the network with nearly 1,000 rentals per month. It

should be noted that there was difficulty in finding a suitable site for the mid-Ormeau Road station which resulted in the delay of installation to May 2019.

Membership

- 3.5 Annual membership subscriptions have increased by 10% in Year 4 with over 5,500 members. The uptake of casual membership has reduced, however there is a high uptake of the new 'pay as you go' option. There are currently over 17,000 active members registered to the Belfast Bikes scheme and further analysis of the payment options will be carried out as part of the strategic review.

Journey Numbers

- 3.6 There have been 787,000 journeys since the scheme was launched and 211,052 journeys in Year 4. This is an increase of 14% from Year 3.

Vandalism

- 3.7 Members will be aware that vandalism was an ongoing problem in Year 2 and Year 3. Extensive work has been ongoing with local communities, elected Members, schools and the PSNI to reduce the incidents. As a result, there has been a significant reduction of 70% in costs for Year 4 to £7,494.

Subscriptions and Usage Revenue

- 3.8 Members agreed in September 2017 to a review of the pricing for subscription membership and usage charges. The new membership and usage charges were introduced from the 1st April 2018. The annual subscription has increased from £20 to £25, the casual subscription has increased from £5 to £6 and a new 'pay as you go' (PAYG) option has been introduced with usage charges of £1 for 30 minutes usage. Income from subscriptions and usage charges has increased by 19% in Year 4 to £133,885.

Funding, Sponsorship and Advertising

- 3.9 The income from funding, sponsorship and advertising for Year 4 dropped by 44% to £67,000 due to a delay in commencing the new contract with Just Eat. A review of the procurement process for securing sponsorship will be considered as part of the strategic review.

Expenditure and Investment

- 3.10 In Year 4, the total cost for the operation of the scheme was £467,000. This cost was offset by the income from usage, funding and sponsorship and as a result the Council has

invested £266,000 in Year 4 in the ongoing operation and maintenance of the scheme which is a 10% increase from Year 3.

Strategic Review

3.11

In January 2019, the Committee agreed to undertake a comprehensive strategic review of the Just Eat Belfast Bikes scheme and make recommendations for the future management, operation and potential expansion of the scheme. In particular, the review will assess options for maximising usage of the existing network as well as potential to reduce costs and increase income from usage of the scheme. The review will also consider an approach for any potential sustainable growth of the scheme. 'Intelligent Transport Services' was commissioned in May 2019 to carry out the strategic review of the scheme. The table below outlines the previously agreed scope of the review against the proposed timetable:

Stages	Methodology and Approach	Timetable
Assessment of the current network	<p>Detailed analysis of the current scale, coverage and density of the network. Factors to be considered:</p> <ul style="list-style-type: none"> • Station Location; • Usage of each station – Rentals and returns; • Capacity of the station too big or too small; • Network of stations (distance between stations); • Access to quality bicycle infrastructure; • Customer and operational feedback; • Contribution to the Belfast Agenda objectives 	May / June 2019
Review of the Scheme Objectives	The review will carry out analysis to measure if the scheme is meeting the objectives set at project initiation.	May 2019
Review of operations	<p>The review will consider the following:</p> <ul style="list-style-type: none"> • The current operation and management system; • Distribution and maintenance activities; • Infrastructure specification – terminals, bikes and docking points; • Security and vandalism including innovation in security and asset tracking; • Marketing of the scheme; and • App / website. 	June 2019
Future Expansion	<p>The review will consider:</p> <ul style="list-style-type: none"> • Existing scheme coverage and identify options for potential expansion • Risks and barriers to expansion • A business model for any future expansion (capital and revenue) 	June / August 2019

		Production of a prioritised, fully costed and phased expansion plan based on an assessment of options.	
	Financial sustainability	<ul style="list-style-type: none"> • A review of the procurement options for sponsorship and advertising in order to maximise income and streamline the process; • Review of the subscription and/or usage fees; • Consider alternative revenue sources - public funds & private investment; and • Marketing of the scheme to promote growth in membership and usage. 	July / August 2019
	Stakeholder and Elected members engagement	<ul style="list-style-type: none"> • Presentation of initial findings at Area Working Group meetings • Public Survey • One to one stakeholder meetings 	June to August 2019
	Strategic Review findings and recommendations	<ul style="list-style-type: none"> • Presentation of draft findings and recommendations to Committee • Finalise Strategic Review 	September 2019
3.12	<p><u>Member and Stakeholder Engagement</u></p> <p>The appointed consultant ITS will engage with Members as part of their methodology, to ensure an integrated, collaborative approach to identifying the needs of the city to improve operation and consider expansion of the scheme. It is crucial that the strategic review is based on a comprehensive and reliable evidence base. It is proposed that ITS will carry out initial assessment of the current network and present findings to the Area Working groups as well as discuss options for expansion. Additional workshops with members can be scheduled if required. A public survey and discussions with key stakeholders such as Sustrans, Belfast Trust, Dfl and community groups will also inform the findings.</p>		
3.13	<p><u>Financial and Resource Implications</u></p> <p>A budget of £29,280 is required to carry out the Strategic Review and is within existing departmental budgets.</p>		
3.14	<p><u>Equality or Good Relations Implications/Rural Needs Assessment</u></p> <p>None</p>		
4.0	Appendices – Documents Attached		
	<p>Appendix 1 – Background Information on Scheme</p> <p>Appendix 2 – Belfast Bikes - map of locations</p>		