

Record of Officer Decision

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| Decision title: | Implementation of eBike Share |
| Date of decision: | 18 December 2020 |
| Decision maker: | Director for Economy and Place |
| Authority for delegated decision: | <p>On 26 November 2020 Cabinet approved recommendations</p> <p>That:</p> <p>(a) The £750,000 funding from government for the Towns Fund accelerated projects be accepted by the council;</p> <p>(b) The spending of the £750,000 funding from government on the Towns Fund accelerated projects as detailed within this report is approved</p> <p>(c) The Director of Economy and Place be authorised to take all operational decisions to implement recommendation (b) including, but not limited to, the procurement and commissioning of new projects, and, following consultation with the S151 officer, the movement of budgets between projects to ensure the full expenditure of funding.</p> <p>The projects identified by Cabinet as accelerated projects and approved for funding included:</p> <p>Project 2: eCargo & eBike Scheme</p> |
| Ward: | Belmont Rural; Bobblestock; Central; College; Eign Hill; Greyfriars; Hinton & Hunderton; Holmer; Kings Acre; Newton Farm; Redhill; Tupsley & Whitecross |
| Consultation: | <p>This decision has been taken in consultation with the council's Section 151 officer and in light of the Cabinet decision accept the £750,000 Towns Fund grant funding from government:</p> <p>http://councillors.herefordshire.gov.uk/mglIssueHistoryHome.aspx?Id=50035605</p> |
| Decision made: | <p>No more than a total of £100,000 of grant funding from the Towns Deal Accelerated Fund will be utilised to implement a city-wide e-bike bike share scheme to be delivered and managed by Smidsy Ltd, trading as Beryl, by a direct award under a waiver of the council's contract procedure rules on the basis that securing the e-bikes from Smidsy Limited negates the risk of incompatibility between the existing bike share scheme in the city and the new infrastructure required to support the introduction of e-bikes in the city.. Beryl will deliver 30 eBikes for public hire and the associated charging infrastructure.</p> <p>This expenditure is included within the £750,000 funding from government for the Towns Fund accelerated projects as recommended in the Cabinet report of 26 November 2020.</p> |
| Reasons for decision: | In July 2020 government announced that under the Towns Fund programme they were offering Hereford a grant of £750,000 to fund capital projects that can be delivered this financial year. This grant will be used to support capital spend within the intervention framework as set out in the Towns Fund Further Guidance. |

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| | <p>The expenditure will be included within the medium term financial strategy and capital programme.</p> <p>The business case details the revenue impact of the project which will be managed within current revenue budgets. There is no additional funding requirements, with all projects managed within existing teams for delivery.</p> <p>The bike share scheme implemented by the Council's delivery partner was launched in July 2019 and has had a very successful year, enabling affordable and convenient access to cycling. To date over 800,000 local journeys have been made, covering over 200,000km.</p> <p>By adding an e-bike share scheme we aim to support people who may be less confident or less physically able to ride a conventional bike. E-bikes will also enable people to make longer journeys, potentially replacing journeys that would otherwise have been made by car.</p> <p><i>The proposed contract will be for the extension of existing supplies or installations. A change of supplier would require the Council to acquire supplies with different technical characteristics which would result in incompatibility.</i></p> <p>This report seeks approval to engage Beryl to deliver and manage the e-bike bike share scheme by a direct award.</p> <p>The Towns Deal Accelerated Fund needs to be spent by 31 March 2021</p> <p>The existing bike share contract will come to an end in 2022 allowing the council to re-procure the whole service including eBikes as a part of a single exercise in 2021 ahead of the contracts expiring in 2022.</p> |
| <p>Highlight any associated risks/finance/legal/equality considerations:</p> | <p>All costs outlined in this report will be covered by the £100,000 allocated for this project from the Town Fund Accelerated Projects bid. No more than £100,000 will be spent in implementing the e-bike scheme.</p> <p>There will be no financial on costs to the council beyond the period financial year 2021/22.</p> <p>There will be no revenue generation for the council.</p> <p>There will be no additional funding requirements for the project.</p> <p>The e-bike share scheme will be another form of public transport available in the city of Hereford.</p> <p>At £1.50 unlock fee and 10p per minute for 'Pay as you go' riders and £1.50 unlock fee and 5p per minute for riders using 'bundles of minutes' the scheme provides low cost access to public transport for residents. The scheme lowers the financial barrier to public transport around the city whilst also seeing improvements in public health.</p> <p>Riders will pay the following depending if they are paying per ride or have purchased a minute bundle:</p> <p>Pay as you ride: £1.50 unlock and 10p a minute.</p> <p>Minute bundle users: £1.50 unlock and 5p a minute.</p> |

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| | <p>Risk/opportunity</p> <p>Failure – reputational risk</p> <p>Successfully deliver e-bike share scheme. e-bikes will support public health, well-being and improvements to air quality and greenhouse gas emissions. Failure to deliver would reflect poorly on the council in the review of the Town Fund Accelerated Projects and with subsequent funding opportunities</p> <p>Financial risk</p> <p>The scheme may not generate sufficient revenue to cover operational cost and become a financial burden.</p> <p>Mitigation</p> <p>The existing bike share scheme has been very successful from launch, exceeding expectations. Beryl have demonstrated their ability to deliver and manage a bike share scheme in the city.</p> <p>Sufficient capital from the Towns Fund Accelerated Projects fund is to be provided to implement and operate the scheme for one year, past this point the scheme will need to be re-procured alongside the existing bike share scheme as part of a single package.</p> <p>A risk assessment is included in the business case.</p> |
| <p>Details of any alternative options considered and rejected:</p> | <p>The council could decide not to approve expenditure on this accelerated project. The council would not be exposed to potential financial risk of the projects but would miss out on securing the government investment to assist in economic regeneration, with associated reputational consequences. This option is not recommended because of the loss of grant income that will deliver a project within the city that help to deliver the council’s county plan 2020 - 2024.</p> |
| <p>Details of any declarations of interest made:</p> | <p>None</p> |

Signed

Richard Ball
 Director for Economy & Place

Date: 18 December 2020