

Record of officer decision

Decision title:	Appointment of Bike Share Partner
Date of decision:	28 January 2022
Decision maker:	Interim Director of Economy and Environment
Authority for delegated decision:	Executive decision authorising the officer: https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=8163
Ward:	Belmont Rural, Bobblestock, Central, College, Eign Hill, Greyfriars, Hinton & Hunderton, Holmer, Kings Acre, Newton Farm, Redhill, Tupsley, Whitecross,
Consultation:	<p>Political Groups Consultation</p> <ul style="list-style-type: none"> • Cllr for the Central ward requested financial figures be shown in the report, these can be found in the Resource Implications section of the main report. • Cllr for the Widemarsh ward asked if there were any plans to extend the scheme to market towns. The risk table in the main report outlines there will be the opportunity to trial satellite schemes subject to available funding. • Cllr for the Ross West ward asked that the report reflect how long any additional funding would be required for, this is outlined in the Resource Implications section of the main report. <p>Consultation with National Accreditor</p> <ul style="list-style-type: none"> • CoMoUK were consulted with regards to mobilisation periods, contract duration and bike share accreditation. <p>Consultation with Other Authorities</p> <ul style="list-style-type: none"> • Bournemouth Christchurch and Pool Council, Norwich City Council and Watford Borough Council.
Decision made:	<ul style="list-style-type: none"> • To appoint Beryl (Smidsy Ltd) to operate Bike Share in the City for a period of for 5 years, with the option of 2 further extensions, each of 2 years (i.e. 5+2+2) following the completion of a successful tendering exercise. • The new contract will start from 1st April 2022. The service will cover the provision of pedal bikes, e-bikes and bays as well as all management, servicing, maintenance and monitoring the scheme. • The Council will provide up to £500,000 over five years towards the scheme and the supplier will be responsible for all other costs and financing the scheme throughout the contract period. • The Council will pay the supplier £1 per ride up to a maximum of the annual subsidy. The council may also at its discretion pay the full ride cost to promote the scheme to the public for promotional periods. This will be agreed between the Sustainability & Climate Change Manager and Beryl in advance of any such promotions. The cost of these promotions originates from the £500,000 available to the provider and is not additional. • The council may utilise the available £500,000 to further expand the service to increase the number of bays or bicycles in the service area of Hereford City. This will be agreed between the

	<p>Sustainability & Climate Change Manager and Beryl and the cost of these interventions will originate from the £500,000 available to the provider and is not additional.</p> <ul style="list-style-type: none"> • If the full annual subsidy is not drawn done, it will not rollover. • Subject to council approval, there may be an option to extend the service through pilot schemes elsewhere in the county as well as utilising emerging modes of personal transport. 																								
<p>Reasons for decision:</p>	<ul style="list-style-type: none"> • The appointment follows an open tender process. The tender response was evaluated and moderated as per procurement guidelines and scored 'very good' overall. • The panel were particularly impressed with the commitments to increase e-bike provision from to 104 bikes within the first year of the new contract, to support accessibility by enabling unlocking by text, eliminating the requirement for a smart phone and accepting pre-paid cards. • There is no change to current charges to users. Beryl were scored as 'excellent' for both Service Implementation and Service Delivery and, although it was included as a trial, Beryl scored well on their contribution to social value. • Beryl will work with Pedicargo and the Hereford Cycle Hub to deliver the service. 																								
<p>Highlight any associated risks/finance/legal/equality considerations:</p>	<p>Financial Implication</p> <ul style="list-style-type: none"> • The Council's financial contribution is set out in the contract and cannot be exceeded. Should Beryl not draw the full subsidy in any year the Council reserves the right to retain the remaining monies. • There will be no revenue generation for the council. • Any further extensions to the contract beyond the initial 5 years will be a nil cost to the Council. <table border="1" data-bbox="547 1120 1353 1288"> <thead> <tr> <th>Funding streams</th> <th>2021/22</th> <th>2022/23</th> <th>2023/24</th> <th>Future Years</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Future external grant allocations</td> <td>£0</td> <td>£tbc</td> <td>£tbc</td> <td>£tbc</td> <td>£tbc</td> </tr> <tr> <td>Directorate revenue budget</td> <td>£0</td> <td>£tbc - £125,000</td> <td>£tbc - £125,000</td> <td>£tbc - £250,000</td> <td>£tbc - £500,000</td> </tr> <tr> <td>TOTAL</td> <td>£0</td> <td>£125,000</td> <td>£125,000</td> <td>£250,000</td> <td>£500,000</td> </tr> </tbody> </table> <p>Risk</p> <ul style="list-style-type: none"> • Last public accounts filed are for year ending March 2020 which showed operating costs exceeding their turnover, which is some cause for concern however, accounts are a snapshot in time. • The credit report reflects this position. • There is a risk that the company could go out of business. <p>Proposed Mitigation</p> <ul style="list-style-type: none"> • The below has been discussed with Finance and the Commercial team in order to mitigate the risk to the authority. • The Sustainability & Climate Change team in conjunction with the Commercial team will monitor future performance and credit status closely. • All payments for services will be made in arrears thereby greatly reducing any financial risk to the authority. • Exposure is limited to loss of service and reputation risk which is shared by all authorities who are served by Beryl. • Not extending Bike Share would take away a key active travel mode in the city with 178,895 journeys/ 439, 845 km cycled since launch and 13,482 local users registered which would have a much more significant impact on the authority's reputation. 	Funding streams	2021/22	2022/23	2023/24	Future Years	Total	Future external grant allocations	£0	£tbc	£tbc	£tbc	£tbc	Directorate revenue budget	£0	£tbc - £125,000	£tbc - £125,000	£tbc - £250,000	£tbc - £500,000	TOTAL	£0	£125,000	£125,000	£250,000	£500,000
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<p>Details of any alternative options considered and</p>	<ul style="list-style-type: none"> • Not extending the bike share scheme but it is now a key active travel mode in the city with 178,895 journeys/ 439, 845 km cycled since launch and 13,482 local users registered. 																								

rejected:	
Details of any declarations	N/A

I am an officer delegated to make the decision

Signed:

Print Name: Neil Taylor

Job Title: Interim Director for Economy and Environment