



Adur Joint Strategic Sub-Committee
10 November 2022

ADUR DISTRICT COUNCIL

Key Decision [No]

Ward(s) Affected: All
Cabinet Portfolio: Environment & Leisure

Delivering an alternative bike share network

Report by the Director for Digital, Sustainability & Resources

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Executive Summary

1. Purpose

- 1.1. Due to the financial pressures being faced at the Councils, Officers were tasked with developing an alternative to joining the BTN Bikeshare framework.
- 1.2. In partnership with Worthing Borough Council, an extended active travel network of 75 bikes and 19 hubs has been developed which will run East to West through town centres and along the seafront in Adur and Worthing, improving sustainable and active travel, reducing car use, and improving the health and wellbeing of scheme users.
- 1.3. Both the capital and operating costs for the Donkeybikes extension are significantly lower than those for BTN Bikeshare.
- 1.4. This report brings detail of the extended scheme, and funding strategy that have been produced and requests approval to progress to the procurement stage to seek an Operator for an Adur and Worthing extended Donkeybikes scheme.

2. Recommendations

2.1. That Members:

- Work in partnership with Worthing Borough Council and proceed with the Donkey Bikes extension over the BTN Bikeshare Scheme.
- Delegate authority to the Director of Digital, Sustainability and Resources to run an appropriate procurement exercise to secure an operator.
- Delegate authority to the Director of Digital, Sustainability and Resources to enter into all relevant contracts and purchase associated with the alternative scheme.
- Members to note that the monitoring of this scheme will be carried out under the active and sustainable travel mission in *Our Plan*.

3. Context

- 3.1. In 2019 Adur and Worthing Councils declared a climate emergency and subsequently set a target to become net zero carbon for the area by 2045. On road transport makes up around 24% of area-wide emissions at 165kTCO₂e. In order to meet our net zero commitments we need to ensure a modal shift for short journeys (under 2km) away from cars to more active, sustainable travel modes.
- 3.2. The Council's Local Cycling and Walking Infrastructure Plan (LCWIP) was developed in 2018. The document identifies key new and improved cycling and walking routes for prioritisation within Adur and Worthing. This document has been used as a basis for developing the hub location network and the recommended infrastructure.
- 3.3. In July 2021 at the Joint Strategic Committee, Members made the decision to proceed with the procurement in collaboration with Brighton and Hove City Council to procure a bikeshare operator using call off contracts from the BHSS framework.
- 3.4. Significant budget pressures at the Councils prompted a review of the scheme in early 2022 which was set to cost over £830k in capital

expenditure across the two Councils, primarily associated with cost of the bikes (300+ with a 50/50 cycle and ebike split) and the construction of 38 hubs for docking cycles. An alternative, significantly lower cost option has been formulated which proposes to extend the existing Donkeybike provision across Worthing and into multiple locations in Adur. Focusing on hub locations in close proximity to stations and seafront locations with the aim of building a strong network and encouraging a modal shift of short journeys (under 2km) to active travel.

- 3.5. Delivering an expansion to the current Donkey bike provision (operating in Worthing for the last 5 years) helps the Councils towards its vision from the Local Cycling & Walking Action Plan: to create a place where walking and cycling becomes the preferred way of moving around Adur and Worthing. This project will be key for delivering our new mission as part of Our Plan: We are a place where active travel is easy, with opportunities for cycling, walking and public transport.
- 3.6. The extension of the Donkey bikes scheme into Adur will assist with delivering Adur District Council's priority to decarbonise the local area, contributing towards meeting the area-wide target of net zero carbon by 2045 as well as improving health and wellbeing of residents who use the facility to cycle.

4. The alternative scheme

- 4.1. The proposed extended scheme would consist of the provision of 75 pedal bikes across Adur and Worthing, including the provision of 29 new bikes in Adur, and the refurbishment of the existing fleet of bikes which will be redistributed to Worthing initially. The Councils will jointly own all infrastructure including bikes and hubs.
- 4.2. BTN Bikeshare was originally costed at approximately £830,350 for the capital purchase of bikes and installation of hubs, resulting in a net annual subsidy (including debt charges) of £149,000. As part of the contract it was anticipated that a major sponsorship contribution would offset costs.
- 4.3. The alternative scheme, based on the expansion of Donkeybikes, includes the following financial projections over the initial 5-year term:

Item	Year 1	Year 2	Year 3	Year 4	Year 5
Income (fees / sponsorship)	£27,493	£27,943	£28,402	£28,870	£29,347
Income (grant funding)	£55,000	£8,500	£8,000	£8,000	£8,500
<i>Total</i>	<i>£82,493</i>	<i>£36,442</i>	<i>£36,402</i>	<i>£36,870</i>	<i>£37,847</i>
Expenditure (capital)	£46,200	£0	£0	£0	£0
Expenditure (revenue)	£36,200	£36,200	£36,200	£36,200	£39,050
<i>Total</i>	<i>£82,400</i>	<i>£36,200</i>	<i>£36,200</i>	<i>£36,200</i>	<i>£39,050</i>
Income less Expenditure	£93	£242	£202	£670	-£1,203
<i>Cumulative Total</i>	<i>£93</i>	<i>£335</i>	<i>£537</i>	<i>£1,207</i>	<i>£4</i>

**figures supplied cover the full scheme across both Adur District Council and Worthing Borough Council utilising all of the grant funding over the 5-year term*

- 4.4. The hubs will consist of Sheffield stand bike racks which will be reasonably easy to construct and locate and will not require the lengthy TRO process required by the BTN Bikeshare scheme. The ease of construction also allows for the hub locations to be moved relatively easily when the scheme is reviewed after its initial five year term of operation.
- 4.5. The bikes themselves have an estimated shelf-life of 5 years prior to the bikes being fully refurbished or additional bikes purchased. Therefore, the initial capital outlay in Year 1 will provide a fleet of 75 bikes over the 5-year term. All bikes will be regularly maintained as part of the agreement.
- 4.6. Income from the extended scheme is conservatively estimated as £22,493 (with a 2% uplift per annum); this was calculated using the previous three years of usage data from the existing scheme to calculate an average income per bike. This is a conservative estimate as the scheme was closed for several months at the start of 2020 due

to the Covid-19 pandemic. Please see 3.1 for additional income through sponsorship.

- 4.7. To assist with the initial setup costs, the Councils were successful in securing Pooled Business Rates funding from West Sussex County Council in 2019 under a joint cycling and walking bid. This funding was allocated towards the BTN Bikeshare Scheme, therefore this will transfer to the alternative scheme. The current balance is £44,000 per Council. Based on the figures in 2.3, £88,000 will be utilised in the first 5 years of the scheme (£44,000 per Council).
- 4.8. The financial model is based on 18 hub locations, 7 of which are in Adur. The list below shows the indicative hub locations, based on those from the consultant's report developed for BTN Bikeshare which can be amended. The hubs have been primarily located on an East to West route focussing on the seafront, stations and town centres to maximise the transport links.

Proposed location	Number of bikes	Existing or new
Shoreham Town Centre	5	New
Southwick Town Centre	4	
Lancing Perch	4	
Lancing Station	4	
Shoreham Station	4	
Southlands Hospital	4	
Middle Road (Shoreham)	4	
Goring Road	4	
George V Avenue	4	
Brooklands	4	
Windsor Lawns	4	
Pavillion Theatre	4	
Lido	4	

Promenade (Burlington)	4	
Steyne Gardens	4	
Worthing Town Hall	4	
Worthing Station	6	
West Worthing Station	4	

*locations are subject to change

- 4.9. The main expenditure for the scheme relates to the management / operating contract, which is anticipated to run for the 5 year term. There is an existing operator managing the Worthing only scheme but this is due to end in December 2022, however a relevant procurement exercise will be undertaken to ensure best consideration for the Councils moving forward.
- 4.10. As outlined in 2.6, the projected income (the rental hire charges) have been conservatively estimated, however it is recommended that any surplus income is attributed back into the scheme to allow for future sustainability and growth. This will be subject to the financial position of the Councils at the time. The figures also assume no further grant funding, CIL or Section 106 monies, however this is a possibility over the 5-year period.
- 4.11. Based on the recommendations contained in this report, Officers will be working to a timeline of having the extended scheme up and running for Spring / Summer 2023.

5. Scheme branding and sponsorship

- 5.1. There is the opportunity to bring a local business onboard to contribute towards and sponsor the extended scheme; calculations have been based on scheme sponsorship of approximately £5,000 per year which would enable the Council to further offset management costs (this aligns with 2.6 and the rental income target). The sponsorship would enable the business to have an amount of space on each bike for branding, including associated editorial space.
- 5.2. The current Donkeybikes fleet is branded with the Time for Worthing logo as current operation is in Worthing only. The branding would need

to be amended to reflect the logos of both authorities as bikes will move between both the District and Borough.

6. Future development

- 6.1. Modelling has been undertaken to phase the scheme; at the end of the initial 5-year term there is the opportunity to amend the scheme accordingly, for example moving or increasing the amount or location of hubs / bikes.
- 6.2. Consideration will be given to the introduction of e-bikes into the network as soon as possible. E-bikes were considered for rollout during phase 1 but due to cost implications relating to charging and redistributing batteries, alongside the higher cost of the e-bikes, it was deemed financially prohibitive at this stage.
- 6.3. Additional extensions to be considered could include, e-cargo bike hire for local businesses, adding inclusive cycles through Cycall, bike trailers and dedicated youth bikes. Whilst the Councils currently haven't the financial provision for these 'extensions' now, Officers do commit to reviewing the scheme on an annual basis to determine whether any could be included as part of the initial 5-year term. This will be based on the financial performance of the scheme and costs associated with the 'extensions'.
- 6.4. Equally, there is a real opportunity to build social value. This could include the possibility of local employment / apprenticeships of mechanics to service the cycles (in partnership with the operator) and to include measures to ensure the social inclusion of disadvantaged groups/areas within the scheme. This will be a contractual element that will be discussed with the successful operator.

7. Engagement and Communication

- 7.1. AWC officers involved in the development of the Donkeybikes scheme include Finance, Place and Economy & Sustainability.
- 7.2. Once the scheme has been approved, work will commence with Communications and Place and Economy to work up a branding and communications plan for the new scheme.

7.3. There will also be an engagement process with the community through the AWC Cycling and Walking Action Group as part of a wider engagement on active travel. It is worth noting that this group were involved in identifying the hub locations as part of the Steer Report (see appendices) which has informed the proposed locations in this paper.

8. Financial Implications

8.1. The alternative proposal to the BTN Bikeshare Network of the extension of the Donkey Bike scheme across Adur and Worthing provides a significant saving to both Councils. The comparison of both schemes is shown in 6.2.

8.2. As follows:

Scheme	Capital Cost	Average Annual Revenue Cost
BTN Bikeshare	£830,350	£149,000
Donkey Bike extension	£46,200	£8,350
Saving from alternative extension of the Donkey Bike Scheme	£784,150	£140,650

8.3. There will be no financial impact on the capital or revenue budgets of Adur District or Worthing Borough Council over the first 5 years as the cost of the proposed extension of the Donkey Bike scheme will be fully funded by the Walking and Cycling grant. This is set out in the table at section 2.3 of the report.

8.4. Continuation of the proposed scheme beyond the 5 years would need to consider a number of factors including the level of rental and sponsorship income, revised cost estimates and the potential for further grant funding to support alternative travel opportunities.

9. Legal Implications

- 9.1. Under Section 111 of the Local Government Act 1972, the Council has the power to do anything that is calculated to facilities, or which is conducive or incidental to, the discharge of any of their functions.
- 9.2. The Council has a wide general power of competence under Section 1 of the Localism Act 2011 to do anything an individual can do apart from that which is specifically prohibited by pre-existing legislation.
- 9.3. Section 3(1) of the Local Government Act 1999 contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regards to a combination of economy, efficiency and effectiveness.
- 9.4. Section 1 Local Government (Contracts) Act 1997 confers power on the local authority to enter into a contract for the provision of making available assets or services for the purposes of, or in connection with, the discharge of the function by the local authority.
- 9.5. Officers must ensure that the proposed Donkey Bikes extension is compliant with the Councils' Contract Standing Orders found at Part 4 of the Councils' constitution. Where the Contract is an above threshold contract for goods and/or services as defined by the Public Contract Regulations 2015 any procurement exercise to contract for those goods and services must be conducted in accordance with those Regulations.

Background Papers

- Previous JSC report (13-07-2021) - [Bikeshare progressing an Adur and Worthing scheme](#)
- [Local Walking and Cycling Infrastructure Plan](#)
- [Steer report](#) - development of bike share business case plan

Sustainability & Risk Assessment

1. Economic

- The alternative bike share scheme could support the modal shift intended to improve transport connectivity while reducing associated congestion which is predicted to increase by 51% by 2050. To maintain a vibrant economy it is crucial to maintain good transport flows; transport infrastructure will need to provide alternatives to car travel for business travel; commuting; visitor movement; leisure and utility trips.

2. Social

2.1 Social Value

- Improved cycling and walking infrastructure can increase safety and accessibility; helping more communities to make cycling and walking their first choice for shorter journeys and as part of longer ones. Cycling and walking provides the cheapest form of transport compared with car travel and public transport. It also brings health benefits through active travel.

2.2 Equality Issues

- As outlined in 4.3, the Council did review the provision of e-bikes and inclusive bikes as part of the initial phase. Due to the associated cost implications, it's proposed that Officers review the phasing in of this provision over the initial 5-year term if budgets allow.
- The locations of the hubs (and nikes) have been carefully considered to ensure ease of access, whilst also connecting to other forms of sustainable transport. As part of the operator agreement, the Councils will ensure the hub locations are regularly reviewed to ensure they continue to be accessible.

2.3 Community Safety Issues (Section 17)

- A risk register will be developed for the alternative bike share scheme and safety audits undertaken for the Hub locations. This will likely be in partnership with the successful operator.

2.4 Human Rights Issues

- Matter considered and no issues identified

3. Environmental

- Transport emissions account for over a third of carbon emissions in Adur & Worthing. Unlike other sectors, transport emissions locally have been rising since 2013. Cycling and Walking are both zero carbon forms of transport. Greater use of these forms help reduce poor air quality.

4. Governance

- Development of a bike share scheme for Adur and Worthing is well supported by Council policy and 'active travel' will also be an important mission under 'Our Plan'.
- The day to day operation will be undertaken by the successful operator. The contract, and the performance, will be reviewed on a regular basis by an Officer team as part of the overall monitoring of Our Plan.