



## Belfast City Council

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| <b>Report to:</b>         | Development Committee                                 |
| <b>Subject:</b>           | <b>Belfast Public Bike Hire Scheme</b>                |
| <b>Date:</b>              | 9 April 2013  |
| <b>Reporting Officer:</b> | John McGrillen, Director of Development, ext 3470     |
| <b>Contact Officer:</b>   | Keith Sutherland, Urban Development Manager, ext 3478 |

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| <b>1</b> | <b>Relevant Background Information</b>   |
| 1.1      | The Council secured £698,700 funding in August 2012, towards the provision of a Belfast Public Bike Hire Scheme as part of the Department for Regional Development (DRD) Active Travel Demonstration Projects fund. The development of a Public Bike Hire scheme is identified as a partnership project in Belfast City Council's Investment Programme 2012-2015. The Council proposes to work in partnership to develop a public bike hire scheme that encourages increased use and facilitates active travel in Belfast. |
| 1.2      | An Outline Business Case (OBC) for a Belfast Public Bike Hire scheme was commissioned by the Strategic Investment Board in conjunction with the Department for Regional Development and Belfast City Council and completed in July 2011. The OBC suggests that a public bike hire scheme would be viable for Belfast based on experiences and evidence from other cities.  |

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| <b>2</b> | <b>Key Issues</b>   |
| 2.1      | <b>Geographical Coverage</b><br>Based on the approved bid for capital funding, the first phase of the Belfast Public bike hire scheme should achieve coverage for the core city centre area as designated in the Draft Belfast Metropolitan Area Plan (see Appendix 1). Queens University and parts of Titanic Quarter were included in the proposed Phase 1 network as it was estimated that they could be accommodated within the current funding arrangements. |

| 2.2   | Experience elsewhere recommends docking stations should be located no more than 300-500 metres apart at key strategic locations. Belfast City Centre boundary covers approximately 3.5km <sup>2</sup> and one docking station should serve an area of just over 0.1km <sup>2</sup> .  |  |  |  |   |  |          |   |  |         |  |            |          |                             |  |                 |
|---|---|--|--|--|---|--|----------|---|--|---------|--|------------|----------|-----------------------------|--|-----------------|
| 2.3   | At the Development Committee meeting on the 19 <sup>th</sup> March, Members requested estimated costs for extending coverage of the public bike hire scheme outside the area proposed in Phase 1. In particular, costs to extend to the North of the city to service the Crumlin Road Gaol and Mater Hospital, to the West to service the Royal Victoria Hospital and Gaeltacht Quarter and to the East to service the Holywood Arches area and the Connswater Greenway project.  |  |  |  |   |  |          |   |  |         |  |            |          |                             |  |                 |
| 2.4   | <p><u>Capital cost</u><br/>The Outline Business Case (OBC) estimated the <u>capital cost</u> for a mid-sized 3<sup>rd</sup> generation scheme- (300 bikes and 30 stations) as £698,700 based on the projected costs below:</p> <table border="1" data-bbox="247 750 1348 873"> <thead> <tr> <th><b>Cost Classification</b></th> <th><b>Cost per Station &amp; 10 Bikes</b></th> <th><b>Infrastructure Cost</b></th> <th><b>Start Up Cost</b></th> </tr> </thead> <tbody> <tr> <td></td> <td>£21,290</td> <td>£638,700</td> <td>£60,000</td> </tr> </tbody> </table>   | <b>Cost Classification</b>               | <b>Cost per Station &amp; 10 Bikes</b> | <b>Infrastructure Cost</b>               | <b>Start Up Cost</b>  |  | £21,290  | £638,700  | £60,000  |         |  |            |          |                             |  |                 |
| <b>Cost Classification</b>  | <b>Cost per Station &amp; 10 Bikes</b>  | <b>Infrastructure Cost</b>               | <b>Start Up Cost</b>                   |  |   |  |          |   |  |         |  |            |          |                             |  |                 |
|   | £21,290   | £638,700                                 | £60,000                                |  |   |  |          |   |  |         |  |            |          |                             |  |                 |
| 2.5   | <p>The indicative distribution analysis for the potential docking station locations suggested that 30 stations could provide for a core network along with the links to Titanic Belfast and Queen's University.</p> <table border="1" data-bbox="247 1064 1348 1276"> <thead> <tr> <th><b>Current Bid Proposal</b></th> <th><b>Network/Stations Summary</b></th> <th><b>Estimated Capital Cost</b></th> </tr> </thead> <tbody> <tr> <td>City Centre</td> <td>City Centre (27 Stations) with potential to link Titanic (1Station) and Queen's (2 Stations)<br/><b>- Total 30 Stations</b></td> <td>£638,700</td> </tr> </tbody> </table>   | <b>Current Bid Proposal</b>              | <b>Network/Stations Summary</b>        | <b>Estimated Capital Cost</b>            | City Centre   | City Centre (27 Stations) with potential to link Titanic (1Station) and Queen's (2 Stations)<br><b>- Total 30 Stations</b> | £638,700 |   |  |         |  |            |          |                             |  |                 |
| <b>Current Bid Proposal</b>   | <b>Network/Stations Summary</b>   | <b>Estimated Capital Cost</b>            |  |  |   |  |          |   |  |         |  |            |          |                             |  |                 |
| City Centre   | City Centre (27 Stations) with potential to link Titanic (1Station) and Queen's (2 Stations)<br><b>- Total 30 Stations</b>  | £638,700                                 |  |  |   |  |          |   |  |         |  |            |          |                             |  |                 |
| 2.6   | <p>The cost implications of the extension of the network can be summarised below and the stations are illustrated on a map attached in Appendix 1.</p> <table border="1" data-bbox="247 1433 1348 1915"> <thead> <tr> <th><b>Extension / Variations</b></th> <th><b>Network/Stations Summary</b></th> <th><b>Estimated Additional Capital Cost</b></th> </tr> </thead> <tbody> <tr> <td><b>North Belfast</b><br/>Inclusion of link to Crumlin Rd Gaol and Mater Hospital</td> <td>2 stations</td> <td>£42,580</td> </tr> <tr> <td><b>West Belfast</b><br/>Inclusion of link to Royal Victoria Hospital and Gaeltacht Quarter</td> <td>4 stations (RVH (3 Stations) and Gaeltacht Quarter(3+1))</td> <td>£85,160</td> </tr> <tr> <td><b>East Belfast</b><br/>Link to Holywood Arches</td> <td>5 stations</td> <td>£106,450</td> </tr> <tr> <td colspan="2"><b>Total estimated cost</b></td> <td><b>£234,190</b></td> </tr> </tbody> </table> | <b>Extension / Variations</b>            | <b>Network/Stations Summary</b>        | <b>Estimated Additional Capital Cost</b> | <b>North Belfast</b><br>Inclusion of link to Crumlin Rd Gaol and Mater Hospital | 2 stations   | £42,580  | <b>West Belfast</b><br>Inclusion of link to Royal Victoria Hospital and Gaeltacht Quarter | 4 stations (RVH (3 Stations) and Gaeltacht Quarter(3+1)) | £85,160 | <b>East Belfast</b><br>Link to Holywood Arches | 5 stations | £106,450 | <b>Total estimated cost</b> |  | <b>£234,190</b> |
| <b>Extension / Variations</b>   | <b>Network/Stations Summary</b>   | <b>Estimated Additional Capital Cost</b> |  |  |   |  |          |   |  |         |  |            |          |                             |  |                 |
| <b>North Belfast</b><br>Inclusion of link to Crumlin Rd Gaol and Mater Hospital           | 2 stations  | £42,580                                  |  |  |   |  |          |   |  |         |  |            |          |                             |  |                 |
| <b>West Belfast</b><br>Inclusion of link to Royal Victoria Hospital and Gaeltacht Quarter | 4 stations (RVH (3 Stations) and Gaeltacht Quarter(3+1))  | £85,160                                  |  |  |   |  |          |   |  |         |  |            |          |                             |  |                 |
| <b>East Belfast</b><br>Link to Holywood Arches  | 5 stations  | £106,450                                 |  |  |   |  |          |   |  |         |  |            |          |                             |  |                 |
| <b>Total estimated cost</b>   |   | <b>£234,190</b>                          |  |  |   |  |          |   |  |         |  |            |          |                             |  |                 |

| 2.7                         | <p><b>Revenue Costs</b><br/>The Outline Business Case projected the <u>annual revenue cost</u> for a mid-sized 3<sup>rd</sup> generation scheme (300 bikes and 30 stations) as £370,400 based on the estimated costs below:</p> <table border="1" data-bbox="248 392 1339 560"> <thead> <tr> <th data-bbox="248 392 443 495"><b>Cost Elements/ Units</b></th> <th data-bbox="443 392 667 495"><b>Operating cost</b></th> <th data-bbox="667 392 1034 495"><b>Bike replacement cost</b></th> <th data-bbox="1034 392 1339 495"><b>Contract Management</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="248 495 443 560"><b>Costs per annum</b></td> <td data-bbox="443 495 667 560">£334,800</td> <td data-bbox="667 495 1034 560">£15,600</td> <td data-bbox="1034 495 1339 560">£20,000</td> </tr> </tbody> </table> | <b>Cost Elements/ Units</b>  | <b>Operating cost</b>      | <b>Bike replacement cost</b> | <b>Contract Management</b> | <b>Costs per annum</b> | £334,800 | £15,600 | £20,000 |
|-----------------------------|--|------------------------------|----------------------------|------------------------------|----------------------------|------------------------|----------|---------|---------|
| <b>Cost Elements/ Units</b> | <b>Operating cost</b>  | <b>Bike replacement cost</b> | <b>Contract Management</b> |                              |                            |                        |          |         |         |
| <b>Costs per annum</b>      | £334,800   | £15,600                      | £20,000                    |                              |                            |                        |          |         |         |
| 2.8                         | The costs above were derived from a research exercise which gathered estimated cost data for a number of existing schemes across the world and excludes the potential contribution to costs from advertising or sponsorship.   |                              |                            |                              |                            |                        |          |         |         |
| 2.9                         | It should be noted that the linear extension of the network beyond the core city centre area will have additional revenue cost implications associated with the redistribution of the bikes. The experience from developed schemes highlights the importance of an integrated network to provide alternative drop off and pick up locations and to support natural redistribution through normal operations.   |                              |                            |                              |                            |                        |          |         |         |

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| <b>3</b> | <b>Resource Implications</b>  |
| 3.1      | The additional estimated resource implications for the capital costs for extending the scheme to the North, West and East of the city are outlined in Paragraph 2.6.  |
| 3.2      | There are ongoing revenue costs in relation to future operation which are not covered by the capital funding from DRD. The initial work carried out by the OBC estimated the revenue costs for the core network to be approximately £370,400 per annum. Any extension beyond the core network will result in additional revenue costs. There is currently no provision in the approved Departmental budget for additional expenditure for the proposed bike scheme and the actual capital and revenue costs can only be confirmed following the procurement of the different contracts. |

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| <b>4</b> | <b>Equality and Good Relations Considerations</b>   |
| 4.1      | There are no specific Equality and Good Relations Considerations attached to this report. |

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| <b>5</b> | <b>Recommendations</b>   |
| 5.1      | Members are asked to consider the additional capital costs associated with the extended scheme and if appropriate ask that the SP&R Committee considers the allocation of the additional resources required.               |
| 5.2      | Following completion of the first stage of the procurement process further reports will be brought back to both the SP&R and Development Committees to inform the Investment Decision on the implementation of the scheme. |

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| <b>6</b>  | <b>Decision Tracking</b> |
| Report on the results of the procurement process is brought back to Committee for consideration<br>September 2013 |                          |

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| <b>7</b>  | <b>Key to Abbreviations</b> |
| DRD – Department for Regional Development<br>OBC – Outline business case<br>RVH – Royal Victoria Hospital |                             |

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| <b>8</b>  | <b>Documents attached</b> |
| Appendix 1 - Proposed Belfast Public Bike Hire coverage – Phase 1 & extension |                           |

# Appendix 1 - Proposed Belfast Public Bike Hire coverage

