

Decision Report

ISLE OF WIGHT COUNCIL

DECISION UNDER DELEGATED POWERS

DECISION CANNOT BE TAKEN BEFORE 19 APRIL 2024

Title	MICROMOBILITY CONTRACT FOR THE SOLENT AND E-SCOOTER TRIAL EXTENSION
Report of	CABINET MEMBER FOR TRANSPORT AND INFRASTRUCTURE, HIGHWAYS PFI AND TRANSPORT STRATEGY

Executive Summary

1. This report provides an update on the operation of the rental e-scooter and public share schemes (micromobility) on the Isle of Wight, and a recommendation for continued participation in the extended rental e-scooter trials as announced by Department for Transport (DfT).
2. The report also provides an update on the Solent Transport led procurement of a single operator for all micromobility schemes in the Solent area (Isle of Wight, Portsmouth, Southampton and parts of Hampshire), and recommends that the Council enters into a contract with the preferred sole operator to facilitate a launch date of 1 July 2024.

Recommendations

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| <ol style="list-style-type: none">3. That the Cabinet Member for Transport and Infrastructure, Highways PFI and Transport Strategy, approves the renewal of the Vehicle Special Order (VSO) for the Isle of Wight's rental e-scooter trial until 31 May 2026, in accordance with the DfT's new end date for its national trials4. Authority is delegated to the Strategic Director of Community Services to continue to implement the rental e-scooter trial within the parameters established by the VSO and DfT until 31 May 2026 |
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5. Approval is given for Isle of Wight Council to award and enter into a contract with the highest scoring tenderer identified through the Solent wide procurement of a single micromobility operator for the Solent area, which will launch on 1 July 2024.

Background

6. In March 2020, Solent Transport was awarded £28.8m of funding from the Department for Transport (DfT) to implement the Solent Future Transport Zone (FTZ); a programme of innovative transport trials across the Solent area. The Solent FTZ and its funding is due to conclude on 30 June 2025.
7. Rental e-scooter and bike share schemes, collectively defined as micromobility, are key outputs from the FTZ programme. The Isle of Wight has hosted a rental e-scooter trial since November 2020 and a bike share scheme since October 2022, both operated by Beryl.
8. The Isle of Wight micromobility schemes form part of the wider Solent FTZ micromobility operations, with Voi operating rental e-scooters in Southampton and Portsmouth, and Beryl operating bike share in Southampton and Portsmouth.

Rental E-Scooter Trial Extension

9. On 8 November 2023 following the King's Speech, the DfT confirmed that e-scooter trials would be further extended for a period of two years from 31 May 2024 to 31 May 2026.
10. The original deadline for the end of the trials was 30 November 2021, but trials have since been extended on three occasions:
 - first to March 2022 to allow time for gathering evidence following a slower than expected start to trials during the COVID-19 pandemic;
 - secondly to November 2022 after DfT issued updated guidance in February 2022 designed to enhance existing safety measures;
 - thirdly to 31 May 2024, which will allow DfT to reflect on the further analysis or evidence that may be needed and would be beneficial
11. The DfT rationale for a further trial extension is to continue to build robust evidence about the benefits, public perceptions, and wider impacts of e-scooters in order to inform legislation that may be necessary beyond the e-scooter trial period. Information collected to date includes:
 - safety outcomes for rental e-scooter users and what influences this
 - interaction with, and effect on, other road users;
 - public perceptions of the rental e-scooters, including impacts for people with disabilities;
 - nature of modal shift and new journeys that have been enabled;
 - characteristics of users and how uptake differs for different groups;
 - Local Authority perception of effects on their transport system and public environment.

12. Solent Transport is continuing to collect quantitative and qualitative data regarding the impact of the schemes. Ongoing engagement with key stakeholder groups will continue to take place throughout the trial to understand perception and impacts, while the council has also undertaken its own perception survey.
13. The extended trial does not address the need for legislation to provide clarity on rental and private e-scooter provision in the medium term. DfT has previously outlined plans to create a new low-speed zero-emission vehicle (LZEV) category incorporating e-scooters, but this will not be brought forward in the current government cycle, meaning that any such legislation will be determined after the next general election.
14. The parameters of the extended trials will broadly mirror the current trials. DfT published updated Guidance¹ in January 2024 in relation to the trial extensions, and whilst authorities hosting trials are able to apply to make changes to geography and fleet sizes, no changes are anticipated for the Isle of Wight scheme.
15. The rental e-scooter trial supports the ambitions of the Council's current and emerging Local Transport Plans. Although the adopted Local Transport Plan pre-dates the launch of the e-scooter trials, there is clear alignment between rental e-scooter outcomes and the Council's vision for transport, specifically:
 - enabling people to move around easily, efficiently and safely, more space is given over to people walking, cycling or travelling by public transport, helping to reduce people's dependence on the car for their everyday journey by making these more viable and attractive;
 - taking advantage of new and innovative technology to enable the transport network to operate as efficiently as possible, helping to accommodate new trips generated by growth without increasing levels of congestion;
 - tackling inequalities by designing transport improvements so that they meet the needs of everyone in society and that everyone can get around more safely and easily;
 - reducing the level of emissions from transport towards zero.

Key Statistics

16. In February 2024, there were 970 rental e-scooter journeys scheme served by a fleet of 35 active vehicles, distributed across 80 parking bays.
17. A summary of key statistics for the Isle of Wight rental e-scooter trial between launch in November 2020 and the end of February 2024 is set out below:
 - Unique e-scooter users: 18,625
 - E-Scooter and e-bikes users: 1551
 - Total distance travelled: 467,561 km
 - Total rides: 150,336
 - Parking compliance: 96% of journeys ending in a parking bay.

¹ [E-scooter trials: guidance for local authorities and rental operators - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/e-scooter-trials-guidance-for-local-authorities-and-rental-operators)

18. It should be noted that the e-scooter fleet on the Isle of Wight has reduced considerably since the scheme launched in 2020. The fleet size peaked at 200 vehicles between August and October 2021, but has reduced as low as 61 vehicles in December 2023. The volume of vehicles available for hire is typically lower still once vehicles which are unavailable due to repairs and vandalism are taken into account.
19. The fleet size reduction has had a significant impact on ridership; in its first two years the e-scooter scheme generated 120,144 rides, but by comparison over the last 18 months there have only been 28,191 rides. A number of factors have contributed to lower volumes of available vehicles, these include supply chain issues, vandalism and the operator focusing resources on its Southampton and Portsmouth schemes which have higher potential ridership.
20. Extending the trial to 31 May 2026 will enable:
 - continued data collection to add to the DfT and Solent Transport's evidence base, and further inform future national legislation on e-scooters;
 - more data collection to help ensure fluctuations caused by weather, major events, availability in residential areas, and returning users are as fully accounted for as is possible during the trial period;
 - opportunities to assess the impact of the Mobility-as-a-Service app (Breeze), and how e-scooters interact with these innovations;
 - a growing volume of users to continue to benefit from the service.

Micromobility Procurement

21. Following an open procurement in 2022, four micromobility suppliers were appointed to a Portsmouth City Council (PCC) Bike Share and Micromobility Services Framework on behalf of Solent Transport. As the highest scoring tenderer, Beryl was called off the Framework to deliver bike share schemes in Southampton, Portsmouth and the Isle of Wight. Subsequently after a period of mobilisation, bike share schemes were launched in these areas in October 2022.
22. The Island currently hosts an e-bike only bike share scheme, branded Beryl Bikes by Breeze. Users can access the scheme through the Beryl smartphone app, or via the Breeze Mobility as a Service (MaaS) platform developed through the Solent FTZ programme. Users are able to select pay-as-you-go pricing or better value 'minute bundles' purchased in advance for use over a longer time period.
23. Beryl has established a core base of bike share users with ridership correlating with fluctuations in vehicle availability.

Key Statistics

24. In February 2024, there were 234 bike share journeys served by a fleet of 27 active vehicles.

25. A summary of key statistics for the Isle of Wight bike share scheme between launch in October 2022 and the end of February 2024 is set out below:
 - Unique bike share users: 880
 - E-scooter and bike share users: 1551
 - Total distance travelled 25,571 km
 - Total rides: 7,681
 - Parking compliance: 96% of journeys ending in a parking bay.
26. The scheme launched with a fleet of 40 e-bikes and following an expansion in summer 2023, reached a peak of 68 vehicles. However due to vandalism and supply chain issues the available fleet is often below the contractual target of 80% of total fleet.
27. Revenue generated by the e-scooter and bike share schemes on the Island is currently lower than that required to sustain a commercially viable scheme. The situation is consistent across other Beryl (bike share only) schemes in the Solent area. The extent of the losses being incurred indicate that a 'do nothing' approach is likely to result in the operator exiting the schemes at the end of the initial contract term on 30 June 2024.
28. To achieve commercial viability in the medium term, Solent Transport (on behalf of the Solent Transport authorities) is currently procuring a sole operator for micromobility across all Solent schemes. This means that from 1 July 2024 the same operator will provide e-scooters and bike share schemes in Southampton, Portsmouth and on the Isle of Wight, and introduce bike share only schemes in parts of Hampshire.
29. A Solent wide sole operator model is considered to present the following benefits for the operator, Solent Transport and contracting authorities:
 - provides flexibility for the operator to deploy a fleet size which meets demand and reflects seasonality;
 - allows the operator to generate economies of scale;
 - creates an operational environment most likely to sustain commercially viable schemes in the medium term, which is especially important for bike share, where the lower ridership level could not currently support this;
 - likely to generate the maximum income for contracting local authorities (e.g. from revenue share arrangements), which would be expected to at least cover associated costs such as staff time after the Solent FTZ funding period ends.
30. The Isle of Wight bike share scheme receives no ongoing operational subsidy, however the scheme has received capital funding from the Solent FTZ to support the mobilisation of the scheme and the cost of the first 40 e-bikes. Should the incumbent bike share operator not become the sole operator, there is provision in the existing contract for Beryl to return part of the capital investment received to date.

31. Due consideration will be given to providing a smooth transition to the sole operator, including making necessary arrangements to transfer eligibility to use micromobility parking locations, integration with the Breeze MaaS (Mobility as a Service) platform, and communications with users.
32. It should be noted that there are two separate key dates within this report which should be clarified. Firstly, the extension of the VSO from the DfT for the e-scooter trail until 31 May 2026. Secondly the 30 June 2026, which is the end of the proposed term of the contract. Based upon these dates, it is anticipated that the Council shall be informed by the DfT ahead of time as to whether the e-scooter trails would be extended further or end when the VSO expires. In any event the contract and the micro mobility service will be adjusted accordingly for the last month of the contract term.

Corporate Priorities and Strategic Context

Responding to climate change and enhancing the biosphere

33. Micromobility has potential to make a significant contribution to the Council's net zero ambitions. Both bike share and e-scooters are referenced in the Council's climate and environment Strategy.



Economic Recovery and Reducing Poverty

34. Ensuring the ongoing availability of micromobility provision for the Island will benefit all residents, though in particular lower income households as a sustainable and cost-effective alternative to private car ownership.

35. The current bays where either public bikes or e-scooters can be accessed or parked are quite widely dispersed across the island to ensure they are readily available, with many sited within residential areas, many of which are within known areas of deprivation.

Impact on Young People and Future Generations

36. Whilst the public bike share and e-scooters are not available for persons who do not hold at least a provisional driving licence, in the public perception survey undertaken it was evidenced that a significant proportion of younger persons used them to undertake. Many of which would have been doing so instead of needing to have to use or own a private car.
37. As a sustainable means of travel this has environmental benefits for the younger people now and future generations. Especially if in the longer term such modes of travel reduce reliance on greenhouse and other pollutant emitting vehicles.

Corporate Aims

38. This proposal aligns with the Isle of Wight Council Corporate Plan in particular the Key area for action 'Responding to climate change and enhancing the biosphere' by providing an affordable, convenient and low emission transport options, which produce significantly fewer pollutants and carbon emissions than cars or vans.
39. Likewise, micromobility schemes support the strategic objectives outlined in the current Local Transport Plan and will have a more significant role in the emerging Local Transport Plan 4.
40. To reduce congestion on the Island, it is important to expand the range of transport options which reduce short distance private car trips; data from the 2022 National Travel Survey suggests that 67% of all trips under five miles are undertaken by private car. Micromobility has the potential to offer a viable alternative to the private car for short distance trips for many.
41. Providing micromobility options also complements the public transport network on the Island, providing additional options for first and last mile journeys from bus stops and railway stations to workplaces or homes.

Consultation and Engagement

42. In 2023 Solent Transport commissioned the Transport Research Laboratory (TRL) to undertake a survey of public perceptions towards rental e-scooters. The survey attracted 307 responses from Island residents, of which 92 (20%) had used an e-scooter.

- 97% of Island residents were aware of the rental e-scooter trial.
- 'Seeing the vehicles' (82%) was the more prevalent contributor to awareness, followed by 'Word of mouth' (25%) and 'Newspaper' (22%).
- The vast majority of respondents are aware of the restrictions associated with accessing and using e-scooters. 85% are aware of the minimum age requirements, 68% are aware of the requirement for a driving licence, 78% are aware of the requirement to park in designated parking bays and 91% are aware that e-scooters should not be ridden on the footway.
- Of the respondents which had used an e-scooter, the factors which were very important for them using rental e-scooters included 'to reach places with no public transport' (48%), 'to save time' (44%), and to save money (37%).
- The most common journey purposes amongst users were, to access a leisure destination (84%), enjoyment (78%), and commuting (65%).
- 58% of respondents identified a barrier to usage, and of these, 29% cited potential safety concerns as the main barrier.
- Around 20% of users would have used a private car or taxi for their most recent e-scooter trip had the rental e-scooter scheme not been in place.
- There is some evidence to suggest that rental e-scooters contribute to multi-modal journeys. 4% of respondents have undertaken journeys which connect with buses, 3% ferry and 2% train.
- 66% of users state that they feel confident using a rental e-scooter.
- Only 12% of respondents which had used an e-scooter had attended online or in person training sessions provided by the operator.
- In terms of attitudes to e-scooters:
- 41% of all respondents could be encouraged to use rental e-scooters in the future.
- 54% of respondents agree that e-scooters make it easier to travel.
- 40% of non-users feel positively about the e-scooter trial on the Island
- Over 80% of users would recommend using an e-scooter to others.

Financial / Budget Implications

43. The Isle of Wight micromobility schemes are fully funded through the Solent FTZ and the financial risk to the Council is minimal.
44. Capital costs associated with the provision of micromobility will continue to be met by the Solent Transport through the FTZ programme, using external funding from the DfT. This will cover funding support for the sole operator and Council officer costs. Solent Transport also funds a Micromobility Project Manager dedicated to overseeing rental e-scooters and bike share schemes in the Solent area.
45. Solent Transport funding through the FTZ is available until 30 June 2025 when the FTZ ends. Framework suppliers tendering for the sole operator opportunity will be required to demonstrate how they can operate beyond June 2025 without further funding support.
46. The new sole operator will be required to enter into a contract and revenue sharing arrangement with Isle of Wight Council. Ringfencing some or all of this income to support the further implementation of carriageway parking would be desirable.

47. All Solent FTZ funding is required to be defrayed by June 2025. Beyond this, the initial term of the sole operator contract with the Council will continue 30 June 2026. It is anticipated that any ongoing expenditure associated with the micromobility schemes incurred by the Council after the end of the Solent FTZ programme will be met by revenue share. If, however, the ongoing expenditure exceeds any revenue share, the Council reserves the right to enter into negotiations with the service provider on varying the contract to mitigate the need for additional expenditure.

Legal Implications

48. Legal The Electric Scooter Trials and Traffic Signs (Coronavirus) Regulations and General Directions 2020 came into force on 4 July 2020, to facilitate e-scooter trials, with further provisions in the Traffic Signs (Coronavirus) (Amendment) (England) Regulations 2021 which came into force on 19 February 2021.
49. Only rental e-scooters operating as part of the trial can legally be used on public the public highway. Privately owned e-scooters will continue to be illegal on the public highway for the period of the trial extension.
50. On the basis of a successful tender process the Isle of Wight Council will enter into a contract with the sole operator. The initial term of the contract will extend to 30 June 2026 and can be further extended in increments to be agreed up to a maximum duration of ten years. Any further contract extension relating to rental e-scooters would be subject to a further DfT trial extension or appropriate legislation, and approval from the Council.

Equality and Diversity

51. The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
52. Under the Equality Act 2010 we are required to have due regard to our equality duties when making decisions, reviewing services, undertaking projects, developing and reviewing policies. This must be done at the formative stage of your proposal, not retrospectively as justification for the recommendation.
53. Equality and Safety Impact Assessments (ESIA) for rental e-scooter and bike share have been drafted and are regularly updated. These provide detail for the mitigations in place to reduce risks presented by micromobility operations on the Island.

Options

54. **Option 1** – That the Cabinet Member for Transport and Infrastructure, Highways PFI and Transport Strategy, approves the renewal of the Vehicle Special Order

(VSO) for the Isle of Wight's rental e-scooter trial until 31 May 2026, in accordance with the DfT's new end date for its national trials.

55. Authority is delegated to the Strategic Director of Community Services to continue to implement the rental e-scooter trial within the parameters established by the VSO and DfT until 31 May 2026
56. Approval is given for Isle of Wight Council to award and enter into a contract with the highest scoring tenderer identified through the Solent wide procurement of a single micromobility operator for the Solent area, which will launch on 1 July 2024.
57. **Option 2** - Not to approve the recommended proposal, thereby not renewing the VSO to continue the e-scooter trial or participate in the micromobility procurement and subsequent contract for the Solent area. This would trigger the cessation of the current micromobility operation on the Island once the current VSO and contracts expire.

Risk Management

58. A risk register and assessments are current maintained by Solent Transport as the funding and programme management body for the project. Though the Isle of Wight Council reviews monitor these to ensure they are fully relevant to the micromobility operations on the Island.
59. In addition, the Isle of Wight Council undertook its own assessments of each of the marked parking bays across the Island at the commencement of the trial to ensure they in safe location and minimise any associated risks.
60. The risk register and associated assessments shall be update on the award of the new contract, as the outcome may change the scope and operating areas for the Island.
61. One key risk identified related to this report is the potential that if it is decided not to continue with the trial and enter into the new contract, that the current operations would expire. Such an outcome would have to be managed, with required communications to ensure service users are aware and that the current infrastructure, as well as vehicles are removed from operation in an orderly fashion.

Evaluation

62. The reasons for the recommended option are:
63. To facilitate the ongoing collection of e-scooter data and information that will inform national legislation for e-scooters and support the ongoing independent data validation.
64. To understand how new innovations from the Solent Future Transport Zone programme will interact with the e-scooter service, for example the Mobility-as-a-Service app (Breeze), and to continue to refine the service to improve uptake, safety and efficiency.

65. To ensure continuation of micromobility schemes on the Island. Micromobility usage across all Solent scheme is below the levels required to sustain a commercially viable operations for multiple suppliers. Moving to a Solent wide single micromobility operator model will provide flexibility and economies of scale for the chosen supplier and will improve opportunities for commercial viability in the medium term.

Background Papers

66. [E-scooter trials: guidance for local authorities and rental operators - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/612222/E-scooter-trials-guidance-for-local-authorities-and-rental-operators.pdf)
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