

DECISION-MAKER:	CABINET
SUBJECT:	E-SCOOTER TRIAL EXTENSION
DATE OF DECISION:	16 JANUARY 2024
REPORT OF:	COUNCILLOR KEOGH CABINET MEMBER FOR ENVIRONMENT AND TRANSPORT

<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY	
NOT APPLICABLE	
BRIEF SUMMARY	
<p>The Department for Transport (DfT) has announced a further extension of its national rental e-scooter trials from 1 June 2024 to 31 May 2026. As a key contributor to the existing wider Solent Transport trial, which is funded by the Department for Transport (DfT) Future Transport Zone, Southampton City Council has the opportunity to continue to participate in the extended trials. This report provides an update on the operation of the current rental e-scooter trial (operated by Voi) and justification for continued participation in the extended trials.</p> <p>In addition, a bike share scheme is in operation in the city, currently operated by Beryl, also funded by the Future Transport Zone programme, which legislation currently allows, without the need for a Government approved trial. To achieve commercial viability in the medium term, it is proposed to move to a sole micromobility operator model for the provision of rental e-scooters and bike share from summer 2024 onwards. This report sets out the justification for moving to a sole operator model and the process for achieving this.</p>	
RECOMMENDATIONS:	
(i)	To approve the renewal of the Vehicle Special Order (VSO) for Southampton's rental e-scooter trial until 31 May 2026, in accordance with the DfT's new end date for its national trials. To delegate authority to the Executive Director Place, following consultation with the Cabinet Member for Environment and Transport and Section 15 officer, to amend further e-scooter trial end dates if changes are made to the DfT national trial.

	(ii)	To approve Southampton City Council participating in a Solent Transport led procurement to select a sole micromobility operator from summer 2024 onwards.
	(iii)	To delegate authority to the Executive Director for Place, following consultation with the Cabinet Member for Environment and Transport and Section 151 officer, to implement the rental e-scooter trial within the parameters established by the VSO and the DfT, and for Southampton City Council to enter into an operating contract with the highest scoring tenderer identified through the procurement.
REASONS FOR REPORT RECOMMENDATIONS		
1.		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.
2.		The trial to date has demonstrated there is a demand for a rental e-scooter service in Southampton with over 82,000 users having collectively made over 1.5 million trips, between March 2021 and October 2023.
3.		To understand how new innovations from the 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.
4.		Bike share ridership in Southampton is below the levels required to sustain a commercially viable operation. Moving to a sole 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.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED		
5.		<p>That Southampton City Council withdraws from the rental e-scooter trials at the end of the current trial on 31 May 2024. This was rejected as the current trial has proved popular with users, is demonstrating mode shift from private vehicles, delivering air quality outcomes, and collecting data which is useful for informing future government transport policy.</p> <p>To extend the e-scooter and bike share operating contracts of the current operators. This was rejected on the basis that revenue from bike share is not sufficient to offset operational costs. The extent of the losses being incurred by the operator indicate that a 'do nothing' approach is likely to result in the operator exiting the scheme at the end of the initial contract term on 31 June 2024.</p> <p>Make a direct contract award for the sole provision of micromobility to either of the incumbent operators in Southampton. Whilst this is permissible through the Bike Share and Micromobility Services Framework, it would not allow for market testing and a demonstration of best value.</p>
DETAIL (Including consultation carried out)		
6		<p><u>Introduction</u></p> <p>In March 2020, Solent Transport was awarded £28.8m of funding from the Department for Transport (DfT) to implement the Solent Future Transport</p>

	Zone (FTZ); a programme of trials of innovative approaches to transport across the Solent area. The FTZ programme 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. Southampton has hosted a rental e-scooter trial since March 2021, and a bike share scheme launched in October 2022, which legislation allows without a trial.
8.	In Southampton, rental e-scooters are operated by Voi, and bike share by Beryl. Both operators were selected through open procurements. The current term of the Voi operating contract ends 31 May 2024 in line with the previous end date of the national e-scooter trials, and the initial term of the Beryl operating contract for bike share ends 30 June 2024.
9.	The Southampton micromobility schemes form part of wider Solent FTZ micromobility operations in the Solent area, with Voi also operating rental e-scooters in Portsmouth, and Beryl operating bike share in Portsmouth, and bike share and rental e-scooters on the Isle of Wight. The FTZ is also providing funding to Hampshire County Council to introduce bike share in Gosport and Totton with the operator to be determined.
10.	<p><u>Rental e-scooter trial extension</u></p> <p>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.</p> <p>The original deadline for the end of the trials was 30 November 2021, but trials have since been extended on three occasions:</p> <ul style="list-style-type: none"> • 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.	<p>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:</p> <ul style="list-style-type: none"> • 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 two-year extension are expected to mirror the current arrangements. DfT intends to publish updated guidance in January 2024 setting out how the extended trials will operate.
15.	<p>The rental e-scooter trial supports the ambitions of Connected Southampton, the council's adopted transport strategy to 2040. Although the strategy pre-dates the launch of the DfT e-scooter trials, there is clear alignment between rental e-scooter outcomes and Southampton's 2040 vision, specifically:</p> <ul style="list-style-type: none"> • enabling people to move around our growing city easily, efficiently and safely around the city, 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; and • reducing the level of emissions from transport towards zero.
16.	<p>A summary of key statistics from the current Southampton rental e-scooter trial (March 2021 to October 2023) is set out below:</p> <ul style="list-style-type: none"> • Volume of active users: 82,004 • Volume of active vehicles*: 1076 • Total distance travelled: 3,651,729 km • Total rides: 1,550,251 • Total e-scooter footway parking bays: 229 • Total shared operator footway parking bays: 2

	<ul style="list-style-type: none"> • Total shared operator carriageway parking bays: 8 • Average ride time: 11.92 minutes • Average distance travelled: 2.4km • CO2 equivalent saved**: 340 tonnes • Car trips replaced***: 655,651 • Parking compliance: 96% <p>*Volume for October 2023 only. The Vehicle Special Order allows for a maximum of 1500 e-scooters to be deployed. The operator manages supply to reflect seasonal demand, hence the volume varies over time.</p> <p>** Voi's carbon savings stated above were calculated based on inputs such as trip data, mode shift percentages collected from user surveys, the government's emission factors for the modes their rental e-scooter trips are replacing, and rental e-scooter Life Cycle Assessments (LCAs). Emission savings are calculated in CO2 equivalent units, meaning they factor in all greenhouse gases. To validate the robustness of these calculations and identify opportunities to deliver even greater carbon savings, Solent Transport has commissioned TRL (a global centre for innovation in transport and mobility that was appointed by Solent Transport to augment its Monitoring and Evaluation for the e-scooter trial and other projects in the FTZ programme) to lead its participation in a 2024 pilot to apply the New Urban Mobility (NUMO) alliance's environmental impact assessment methodology to the region's micromobility schemes, including Southampton's rental e-scooter trial.</p> <p>***The car trips replaced figure is calculated by asking survey respondents how they would have made their last trip if not by rental e-scooter, which is considered a best practice approach in monitoring mode shift. The figure is based on Voi's user surveys.</p>
17.	<p>In autumn 2022, the council published the results of its e-scooter public perceptions survey (n~1572). At the time of the survey rental e-scooters had been operating in Southampton for circa 16 months.</p> <p>Key findings from the survey included:</p> <ul style="list-style-type: none"> • just over a quarter of respondents selected that they had used the e-scooter rental trial scheme in Southampton; • 88% of rental e-scooter users agreed that they would recommend rental e-scooters to a friend; • from a list of factors for using rental e-scooters, 'environment/sustainability' and 'to avoid traffic congestion' were selected as the most important by users; • 42% of rental e-scooter users said that if they hadn't used a rental e-scooter on their last trip, they would have used a private vehicle (e.g. car / van / motorbike / moped); • the majority of respondents selected that the top reason they are prevented from using the e-scooter rental trial was 'safety concerns';

	<ul style="list-style-type: none"> • 54% of respondents agreed or strongly agreed that rental e-scooters make it easier to travel around Southampton; • 73% of rental e-scooter users strongly agreed that rental e-scooters had led to them considering changing how they currently travel; and • 33% of respondents agreed or strongly agreed that that the benefits of rental e-scooters outweigh any issues they create. <p>To better understand current public perceptions about the e-scooter rental schemes, Solent Transport has recently commissioned TRL to carry out a further survey, asking comparable questions to the previous surveys, but ensuring a more representative mix of respondents. Findings from this research will become available in early 2024.</p>
18.	<p><u>Enforcement</u></p> <p>Voi employs a range of tools to tackle anti-social behaviour and misuse of e-scooters. In addition to the measures referenced above to mitigate risk, Voi has implemented a “three-strikes” policy, whereby a user reported for an offence is first banned for seven days and is required to complete its online traffic school. Following a second strike, the user is banned for 30 days. Finally, a further offence results in the user being permanently banned from using the e-scooters. A ban can be applied for a range of offences including, but not limited to, allowing an underage rider to use an e-scooter, pavement riding, and twin riding. As of 31 October 2023: 1,920 temporary bans for inappropriate riding and 58 permanent bans have been issued to Southampton e-scooter trial users.</p>
19.	<p><u>Safety</u></p> <p>Voi uses the DfT categorisations for accidents, which are defined as follows:</p> <p>Slight injury: An injury of a minor character such as a sprain (including neck whiplash injury), bruise or cut which are not judged to be severe, or slight shock requiring roadside attention. This definition includes injuries not requiring medical treatment.</p> <p>Serious injury: An injury for which a person is detained in hospital as an “inpatient”, or any of the following injuries whether or not they are detained in hospital: fractures, concussion, internal injuries, crushings, burns (excluding friction burns), severe cuts, severe general shock requiring medical treatment and injuries causing death 30 or more days after the accident.</p>
20.	<p>During the trial to date, from March 2021 until October 2023, 246 slight and 46 serious injuries in Southampton have been reported to Voi. The rate of accidents was 65 slight injuries per 1million kms travelled, and 13 serious injuries per 1million kms travelled.</p>
21.	<p>The validation of accident data forms part of Solent Transport's ongoing evaluation of the trial alongside Local Authorities and partner organisations including TRL. It is hoped it will be possible to obtain richer e-scooter accident data from the police in due course (currently, there is not a clear</p>

	distinction between incidents involving rental e-scooters and privately-owned scooters, but it is well-understood that the incident rate for the latter is significantly higher).
22.	TRL analysis commissioned by Solent Transport has indicated a general downward trend in e-scooter rental accident rates in Southampton since the trial began, with the accident rate in every month from April 2022 to March 2023 being lower than in the corresponding month the previous year. This type of comparison is especially useful in the transport sector, as it takes account of seasonal variations in road traffic and weather conditions.
23.	<p>Extending to 31 May 2026 will enable:</p> <ul style="list-style-type: none"> • 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 introducing the Mobility-as-a-Service app (Breeze), and how e-scooters interact with these innovations; • implementation of new service innovations and trials, including on-carriageway parking bays, marking of virtual bays with paint or signage and improving availability of e-scooter parking across the city; and • a growing volume of users to continue to benefit from the service.
24.	<p><u>Sole Micromobility Operator</u></p> <p>Micromobility in Southampton and Portsmouth is currently a split provision, historically due to the e-scooter trial occurring first with Voi awarded the e-scooter delivery in 2021.</p> <p>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.</p>
25.	The bike share scheme in Southampton, branded as Beryl Bikes by Breeze, comprises a mix of pedal bikes and e-bikes. Users can access the scheme through the Beryl smartphone app, or via the Breeze Mobility as a Service (MaaS) platform developed through the 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.
26.	Beryl has established a core base of bike share users and seen an increase in ridership alongside a summer 2023 expansion of bikes and bays.

27.	<p>Key statistics for the Southampton bike share scheme (October 2022 to October 2023) are as follows:</p> <ul style="list-style-type: none"> • Total volume of active users: 6,729 • Total fleet size*: 394 • Total distance covered: 83,044 km • Total rides: 32,908 • Total bike share only footway parking bays: 84 • Total bike share/e-scooter shared footway bays: 2 • Total bike share/e-scooter shared carriageway bays: 8 • Parking compliance: 96% <p>*Total fleet size has expanded over time and currently comprises 164 pedal bikes and 194 electric bikes. Beryl is consistently meeting or close to meeting its contract Key Performance Indicator of 80% of the total fleet size being available for hire.</p>
28.	<p>Whilst bike share ridership has grown steadily during the first year of operation, revenue from rides is lower than that required to generate a commercially viable scheme. The situation is consistent across all Beryl 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 scheme at the end of the initial contract term on 30 June 2024.</p>
29.	<p>Competition with other forms of micromobility may be a contributing factor to bike share not realising its full potential. Since the bike share scheme launched in October 2022 there have been approximately 20 rental e-scooter trips for every one bike share trip in Southampton.</p>
30.	<p>To generate a robust and sustainable micromobility operation, it is proposed to move to a sole operator model from summer 2024 onwards, securing a single operator to deliver rental e-scooters and bike share.</p>
31.	<p>Southampton is one of only two known locations outside London which host more than one micromobility operator. Analysis of other comparable UK markets suggests that a sole operator model is the preferred approach. Locations such as West Midlands, Bournemouth, Christchurch and Poole, Norwich, York, Oxford and Cambridge all have a single operator for rental e-scooters and bike share.</p>
32.	<p>A sole operator model is considered to present the following benefits for the operator and contracting authority:</p> <ul style="list-style-type: none"> • provides flexibility for operators 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. • allows for market testing;

	<ul style="list-style-type: none"> likely to generate the maximum income for contracting local authorities e.g. from revenue share arrangements.
33.	Whilst the Southampton bike share scheme receives no operational subsidy, it is supported by capital funding from the FTZ. This has been used to support the mobilisation of the scheme, parking infrastructure, and purchase the first 200 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.
34.	The Bike Share and Associated Micromobility Services Framework Agreement makes provision for running a mini competition amongst existing framework suppliers. This will operate as a closed tender and will be managed by Portsmouth City Council's procurement team, as the lead procurement authority for Solent Transport.
35.	The intention is to launch the mini-competition early in 2024. Following a period of mobilisation, it is expected that the selected sole operator will be in a position to launch in summer 2024.
36.	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 platform, and user communications.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
37.	Capital project costs associated with the provision of micromobility will continue to be met by the Solent Transport through FTZ programme, using ring-fenced external funding from the DfT. Solent Transport also funds a Micromobility Project Manager dedicated to overseeing rental e-scooters and bike share schemes in the Solent area.
38.	Solent Transport funding through the FTZ is available until 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. Should this not be possible the trial period could be terminated prior to May 2026 as and when its clear the funding is not available as expected.
39.	The new sole operator will be required to enter into a revenue sharing arrangement with Southampton City Council. Ringfencing some or all of this income to support the further implementation of carriageway parking would be desirable.
<u>Property/Other</u>	
40.	Not applicable
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	

41.	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.
42.	The trial had been facilitated by an 18-month Experimental Traffic Regulation Order (ETRO) which allowed trial e-scooters to use cycle lanes. A permanent Traffic Regulation Order (TRO) was subsequently made in September 2022 to continue to enable trial e-scooters to use cycle lanes to the end of the trial and beyond if required.
43.	The DfT will issue a new Vehicle Special Order (VSO) to 31 May 2026 that permits the sole operator to provide rental e-scooters in Southampton. The VSO sets out the conditions which e-scooters need to comply with and sets a maximum volume of e-scooters which can be deployed.
<u>Other Legal Implications:</u>	
44.	Only rental e-scooters operating as part of the trial are legal in Southampton. Privately owned e-scooters will continue to be illegal on the public highway for the period of the trial extension.
45.	It is proposed that the initial term of the sole operator contract extends to 31 May 2026, in line with the end date of the extended e-scooter trials. The contract can be further extended in increments to be agreed up to a maximum duration of eight years. Any further contract extension relating to e-scooters is subject a further DfT trial extension or appropriate legislation, and approval from Southampton City Council.
RISK MANAGEMENT IMPLICATIONS	
46.	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 in Southampton.
POLICY FRAMEWORK IMPLICATIONS	
47.	The proposals within this report are in accordance with the Local Transport Plan (LTP) and LTP Implementation Plan.

KEY DECISION?	Yes
WARDS/COMMUNITIES AFFECTED:	All
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Rental E-Scooters Equality and Safety Impact Assessment (ESIA)
Documents In Members' Rooms	
1.	None.
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	Yes

Data Protection Impact Assessment	
Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	No
<p>Other Background Documents</p> <p>Government Guidance on E-Scooters for Local Authorities: www.gov.uk/guidance/e-scooter-trials-guidance-for-users</p> <p>Southampton rental e-scooter perception survey results www.southampton.gov.uk/media/jvdb1xq4/escooter-survey_final_report.pdf</p> <p>Southampton City Council E-Scooter webpage: E-scooter usage and enforcement (southampton.gov.uk)</p> <p>Electric Scooter Trials & Traffic Signs (Coronavirus) Regulations & General Directions 2020: The Electric Scooter Trials and Traffic Signs (Coronavirus) Regulations and General Directions 2020 (legislation.gov.uk)</p> <p>The Traffic Signs (Coronavirus) (Amendment) (England) Regulations 2021: The Traffic Signs (Coronavirus) (Amendment) (England) Regulations 2021 (legislation.gov.uk)</p> <p>Southampton City Council E-Scooter Safety Video: www.youtube.com/watch?v=h8cRTeCvsYM</p>	
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	Not Applicable