



# **Proposals for Introducing Public Bike Schemes in Regional Cities**

Funding and Procurement Options  
Report

National Transport Authority / Jacobs  
Engineering

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COMMERCIAL IN CONFIDENCE

# Glossary

<b>BSS</b>	Bike Sharing Scheme
<b>Capex</b>	Capital Expenditure
<b>DCC</b>	Dublin City Council
<b>DBOM</b>	Design, Build, Operate and Maintain
<b>D&amp;B</b>	Design and Build
<b>DTTAS</b>	Department of Transport, Tourism and Sport
<b>GDA</b>	Greater Dublin Area
<b>Jacobs</b>	Jacobs Engineering Ireland Limited
<b>JCD</b>	JC Decaux
<b>LCHS</b>	London Cycle Hire Scheme
<b>NTA</b>	National Transport Authority
<b>OMA</b>	Outdoor Media Association
<b>O&amp;M</b>	Operation and Maintenance
<b>PPP</b>	Public Private Partnership
<b>Serco</b>	Serco Group plc
<b>TfL</b>	Transport for London
<b>VFM</b>	Value for Money

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# 1 Executive Summary

## **Introduction**

The dublinbikes bike sharing scheme was introduced in Dublin in September 2009. The scheme, which is operated by the outdoor advertising firm JC Decaux in return for a concession from Dublin City Council over advertising sites in the city, has been very successful. Given this success, the Minister of State at the Department of Transport, Tourism and Sport has requested that the National Transport Authority examine the potential for bike schemes in regional cities – Cork, Limerick, Galway and Waterford.

## **Bike Sharing Schemes**

Two distinct models for bike sharing schemes can be typified as follows:

- 1 Advertising funded: The dublinbikes scheme came about from a tender by Dublin City Council for the provision of public amenities in return for concession over advertising sites. The winning tender from JC Decaux included a bike hire scheme. The scheme launched with 450 bikes and 40 stations, though Dublin City Council has plans to increase the scheme over the coming years to 300 stations and 5,000 bikes. JC Decaux fund all costs with respect to the scheme including initial set-up costs and ongoing Operations and Maintenance costs.
- 2 Publicly funded: In 2009 Transport for London awarded a six year contract to Serco to design, build, operate and maintain the London scheme which includes 400 stations and 6,000 bikes. Unlike many other cities advertising was not included in the contract. Barclays Bank entered a five year sponsorship of the scheme.

Bike hire schemes operate in many other European cities such as Paris, Barcelona, Berlin, Stuttgart and Milan and are generally either publicly funded or funded through advertising.

## **Market Consultation**

As part of the process of producing this report a market consultation exercise was performed.

The following points are a distillation of some of the key points noted:

- 1 At the outset it is essential that the scheme objectives are identified and agreed. The scheme cannot be all things to all people and it must be agreed who it is intended to serve. The schemes can be part of an integrated transport solution but this must be planned correctly. Different types of scheme can have very different costs;
- 2 The current outdoor advertising market is depressed with revenues significantly down compared to a number of years ago. It is unlikely that the schemes could be entirely funded by advertising. There is a pool of money which companies have available to spend on outdoor advertising. Increasing the number of advertising spaces does not increase this pool of money. It may however have a displacement effect where advertising revenues are transferred from other areas, for example bus shelters;
- 3 A common theme among operators was that if performance standards are overly onerous, as opposed to being flexible as demand evolves, the scheme becomes commercially very much less

attractive. Requirements, for example, with penalties applying, to ensure that every station all day every day has either bikes for hire or spaces to return bikes are very difficult and potentially expensive to meet;

- 4 Depending on the length of the contract, bikes and infrastructure may need to be replaced when the contract comes to an end. Perhaps the most important aspect might be the database of users which would of course be required for a new operator should a subsequent contract not be awarded to the incumbent operator;
- 5 The locking mechanism is vitally important to schemes with later schemes demonstrating admirable theft and vandalism statistics;
- 6 The cost of subscriptions in Dublin is very low. London is c. 5 times higher. Having subscriptions higher than Dublin is something which might be considered.

### **Potential Funding Options**

With limited public funds available to the NTA, other potential funding options have been explored. A number of potential options are discussed in this report including:

- Using revenues from advertising sites in the Regional Cities;
- Advertising on the bikes;
- Scheme Sponsorship / sale of Naming rights to the scheme;
- Business contributions; and
- Higher subscriptions from members.

Market consultation suggested that given the difficult outdoor advertising market at present, it is likely that the schemes would not be capable of being funded solely out of advertising revenues. A scheme sponsorship could be considered, similar to what TfL did with the London scheme, but again this may largely be reliant on the outdoor advertising market. Subscription and usage revenues higher than Dublin could be considered. Dublin is at the lower end of the range of usage fees and market consultation clearly indicated that higher fees could be charged. Business contributions are something which could be considered while acknowledging that any revenue could be modest for the time and effort spent.

### **Potential structuring options**

There are a number of potential commercial structuring options which could be utilised to procure the scheme in the Regional Cities:

- Option 1 - Combined bike and advertising contract;
- Option 2 - Publicly funded scheme – possibly using ring-fenced revenues from advertising on the bikes and/or city sites to fund scheme but not included in tender;
- Option 3 – Bike contract with a separate but linked advertising contract;

- Option 4 - Combination of Option 1 and a Naming Rights/Sponsorship Competition;
- Option 5 - Combination of Option 2 and a Naming Rights/Sponsorship Competition;
- Option 6 - Combination of Option 3 and a Naming Rights/Sponsorship Competition.

With respect to outdoor advertising and acknowledging the feedback from the market consultation, each of the city councils in the Regional Cities in question would need to carry out a detailed assessment of their overall outdoor advertising strategy. This would include examining the potential for new advertising sites. The city councils would need to consider where might the best available sites be to maximise revenues where saturation point for outdoor advertising has not already been reached. This needs to be done in the context of the total public sector linked outdoor advertising space in each city.

Options 1 and 3 might appeal to existing outdoor advertising operators, while acknowledging that advertising is not likely to fund the entire scheme. With Option 1 tenderers may include significant risk contingency with respect to advertising revenues. These would not be evident in Option 2 and would be likely lower in Option 3. A recovery in the advertising market would benefit solely the operator in Option 1 and solely the Authority in Option 2 but would be shared in Option 3. Option 3 would need to include incentivisation for the operator to maximise advertising revenues which would be shared with the Authority to offset the subvention needed.

Options including advertising would likely appeal more to the existing advertising company operators. With Option 2 the Authority would have to enter into a separate advertising management contract with an outdoor advertising company with the attendant costs involved. Option 3 would see an outdoor advertising company manage the advertising and provide a share of the revenues to the Authority.

### **Recommendations**

Cities need to have clear objectives for what it is they want the bike sharing scheme to achieve. The first thing each city should do is identify what are the scheme objectives.

Based on the analysis in the Report it is recommended that advertising revenue be utilised to fund the scheme in combination with a competition for the sponsorship/naming rights to the scheme. The possibility of seeking business contributions should be further explored while acknowledging that there are significant complications with respect to this potential funding and the amounts involved might be modest.

NTA should further consider Option 3 - the linked contract option. This would retain an advertising element within the contract structure. While recognising that outdoor advertising alone could not currently fund the bike sharing schemes, it would provide some revenue from advertising at this time. However, were the market to improve at some time in the future revenues from advertising could be potentially much more significant. The contracts would need to include strong incentivisation mechanisms in order to maximise advertising revenue over the period of the contract and minimise subvention. Any inclusion of outdoor advertising to fund the schemes however, needs to be considered within the context of the overall Authority/City Council outdoor advertising strategy for the cities.

Consideration should be given to the potential for progressing planning on advertising sites during or in advance of tender in order to maximise certainty for tenderers as to the sites available. In seeking planning permission and depending on what information is in the public domain at that time with respect to the potential bike sharing schemes in the Regional Cities it may be useful to make it known

that planning is being sought for structures to help fund a bike scheme. This may help to reduce the number of planning objections.

Serious consideration should also be given to the level of the subscription and usage fees payable. The fees associated with schemes in other European cities would suggest that the fees in Dublin are relatively low. London, for example has an annual subscription fee of £45 (c. five times the dublinbikes fee). Higher subscription and/or usage fees could be a more significant contributor towards costs.

Suggested next steps have been included in the report.

## 2 Introduction and Background

### 2.1 Introduction

On 13 September 2009 a bike sharing scheme ("dublinbikes") was launched in Dublin. dublinbikes is a partnership between Dublin City Council ("DCC") and the outdoor advertising company JC Decaux ("JCD") and initially comprised of 450 bicycles and 40 bike stations.

The scheme has proved extremely popular with the public and is generally regarded as being a massive success. By December 2010 dublinbikes had over 30,000 annual subscribers - greatly in excess of the 5,000-10,000 envisaged at the launch of the scheme. The Scheme is seen as an integrated transport alternative which has improved linkages and accessibility within the city centre.

Such has been the success of dublinbikes that DCC has developed a longer term strategy for the scheme with plans to expand the Scheme to 5,000 bikes and 300 stations over the next 5 years.

Similar bike sharing schemes ("BSSs") are also in operation in many cities around the world, for example London, Paris, Barcelona, Milan, etc.

### 2.2 Regional Expansion

The success of dublinbikes has prompted the consideration of introducing similar BSSs in regional cities around the country.

To this end the Minister of State at the Department of Transport, Tourism and Sport ("DTTAS") has requested that the National Transport Authority ("NTA" or "the Authority") examine "potential means of introducing public bike schemes to other cities". As part of this examination, the Minister asked that an assessment of the "potential for partnership with or sponsorship by private sector collaborators to deliver the schemes at the lowest cost to the wider Government system" be included.

### 2.3 NTA

The NTA is a statutory body established by the Minister for Transport on 1 December 2009.

At a national level, the NTA has responsibility for securing the provision of public passenger land transport services. This includes the provision of subvented bus and rail services by Bus Éireann, Dublin Bus and Irish Rail. The Authority also licences public bus passenger services and has responsibility for the regulation of the small public service vehicle sector (i.e. taxis, hackneys and limousines).

The NTA also has responsibility for the development of an integrated transport system within the Greater Dublin Area ("GDA"). The principal functions of the NTA with respect to the GDA are:

- strategic planning of transport;
- development of an integrated, accessible public transport network;
- promoting cycling and walking;

- provision of public transport infrastructure generally including light rail, metro and heavy rail;
- effective management of traffic and transport demand.

## 2.4 NTA Framework agreement with Jacobs

In 2010 Jacobs Engineering Ireland Limited (“Jacobs”) were appointed under a framework agreement as technical advisors to the NTA. The NTA has requested that Jacobs carry out an initial feasibility report in relation to the introduction of a BSS, similar to the scheme operated in Dublin City, in the cities of:

- Cork;
- Limerick;
- Galway; and
- Waterford

(together the “Regional Cities”) (the “Project”).

Jacobs separately engaged KPMG to assist with elements of this assignment.

## 2.5 Purpose of this document

The purpose of this document (the “Report”) is thus as follows:

- 1 To discuss potential funding options for introducing a BSS to the Regional Cities; and
- 2 To discuss potential options for procurement of BSSs in the Regional Cities.

Jacobs are producing a separate report - “Proposals for Introducing Public Bike Schemes in Regional Cities – Technical Feasibility Study” - examining various technical aspects of feasibility of the schemes.

The points noted above are discussed in turn in the following sections. A market consultation exercise was also carried out and is discussed below. The Report also considers “Next Steps” for the Project. However, firstly we discuss the dublinbikes scheme in greater detail in order understand how the scheme came about and to better identify what is involved in such a scheme. A number of other schemes are also discussed.



## 3 Bike Sharing Schemes

### 3.1 Overview

This section describes the success factors of the dublinbikes scheme which is the only Irish BSS precedent. It also discusses the London scheme and gives an overview of a number of other examples from around Europe. Included in each section is a comment on the funding of the schemes.

### 3.2 dublinbikes

#### 3.2.1 Success factors

As noted above dublinbikes is regarded as being a very successful scheme. Set out below are some of the factors which may have attributed to this success:

- The scheme seemed to have a clear vision. It was designed to appeal to regular users who could use it as a viable transport alternative in the city centre. It also appeals to short term visitors and its registration system allows for this with the short term subscription. The network was selected with the objectives in mind. For example, Hueston Station was not included in the scheme because as a major commuter hub it did not fit with the size and scale of the original scheme (though there are plans to include it in an expanded scheme);
- Considerable time and effort was spent on deciding where to locate stations so that they would appeal to the maximum numbers of users but also stations tend to be in brightly lit, visible locations which it is thought helps to reduce vandalism;
- The scheme is run by an experienced operator who has clearly learned from experiences elsewhere in setting up dublinbikes. The locking mechanism and registration system are such that theft and vandalism has been negligible.
- The scheme was procured at the height of the boom when advertising revenues were strong;
- Subscription Fees are extremely low. At €10 per annum the subscription fee is set at a level which appeals to a very wide range of people; and
- Scheme registration is straightforward and the system is well maintained. The user experience seems to be very positive.

### 3.3 London

The London scheme is quite different from dublinbikes in that it does not include advertising as part of the contract. In 2008 TfL issued a Tender notice for a London Cycle Hire Scheme ("LCHS") seeking proposals to "design, build, operate and maintain a Cycle Hire Scheme which will comprise a fleet of bicycles, docking stations (some of which may be mobile), docking points and supporting infrastructure in London"<sup>1</sup>. The Tender was in three lots:

<sup>1</sup> Source: TfL Tender Notice - 302105-2008

1) Design and Build of the Cycle Hire Scheme – this was to include “the design of bicycles, docking points, registration terminals, initially for a fleet of 6,000 bicycles across approximately 400 docking stations, with the possibility of future expansion to allow for additional numbers of bicycles and other assets and/or additional sites and/or different geographical areas.”<sup>2</sup> The Tender also included “the design and implementation of information management, business operations and maintenance processes.”<sup>3</sup> The build element included “site preparation, surveying, build and installation of cycle hire assets”<sup>4</sup>. The D&B contract was for 6 years, with options to extend the duration for up to a further 2 years.

2) Operation and Maintenance - “To include the operation and maintenance of all the cycle hire assets (including the bicycles, docking stations and registration terminals), redistribution of the bicycles to meet customer demand, provision of a customer service centre, revenue collection, user communications and marketing”<sup>5</sup>. Again, it was envisaged that the operation and maintenance contract would run for 6 years, with options to extend the duration for up to a further 2 years.

3) Sponsorship – the tender provided that “The Cycle Hire Scheme may be supported through sponsorship arrangements. Bidders may be invited to act as sponsors (either themselves or by including a sponsor within their consortium). Sponsorship rights may be granted to more than one sponsor and may be for varying durations at different times over the life of the contract(s). Such arrangements may be agreed outside of this procurement process”. Creation of street furniture which was not directly related to the operation of the scheme for advertising or sponsorship purposes was not considered or envisaged to be an acceptable form of sponsorship by TfL.

In August 2009 Serco Group plc (“Serco”), the international service company was awarded a DBOM contract (lots 1 and 2) which was valued at approximately £140m<sup>6</sup> over its six year term, split between installation and operation of the scheme. Serco is a well known service company which operates in various sectors including transport (in London they operate the Dockland's Light Railway and the Woolwich Ferry and maintain traffic signals for TfL), health, defence, education etc. This seems to be its first foray into the bike hire operation market. However, for the London scheme, Serco teamed up with The Public Bike System Company which runs the BIXI system in Montreal.

The Sponsorship of the scheme is discussed further in Section 5.4 below.

### 3.4 Other Schemes

The following table sets out information with respect to a number of other schemes to give a sense of the different types of contracts being operated.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Source: TfL, “London Cycle Hire scheme takes big step forward as operator announced”, 12 August 2009

City	Scheme Size	Operator	Funding <sup>7</sup>
Paris	Stations 1,450 Bikes 20,600	JCD	The scheme was implemented and is operated, free of charge to the city by JCD, in return for rights to c. 1,600 advertising hoardings around Paris and space to allocate the cycle stations. JCD also pays the City of Paris €3.5 million a year and a percentage of any revenue raised.
Lyon	Stations 400 Bikes 4,000	JCD	The scheme was implemented and is operated by JCD, giving it the rights to advertising in Lyon similar to the contract awarded in Paris. It seems that the contract awarded by the government to JCD for Lyon was on a much smaller scale, with a lower prevalence of advertising around the city.
Barcelona	Stations 400 Bikes 6,000	Clear Channel	The City of Barcelona decided to pay Clear Channel a fixed sum each year to implement, maintain, operate and expand the scheme, rather than fund it through advertising. Some of the funding comes from the on-street car parking charges. A third of the cost is also covered by the revenue generated from registration fees and extended time usage.
Milan <sup>8</sup>	Stations 103 Bikes 1,400	Clear Channel	BikeMi is managed by Clear Channel. The company covers the operational costs for the service (maintenance, bike repositioning, customer care and service planning) from revenues generated via external advertising displays. At the present time 206 free standing units, i.e. backlit signs measuring 120 x 180 cm with variable advertisements (12 m <sup>2</sup> of advertising space for every station) are in place. The total investment for systems and infrastructure was €5m which was paid by the Municipality of Milan.
Berlin	Stations not required. Bikes left at intersections Bikes 2,000	Deutsche Bahn	The Berlin scheme was initiated and funded entirely by Deutsche Bahn with no financial commitment from the city authority. Permissions from the authority are not necessary, giving Call a Bike complete flexibility in locating its bicycles.
Stuttgart	Stations 64	Deutsche	The City Council went to tender and chose Call a Bike over other providers. This was mainly due to cost, but it

<sup>7</sup> Source (except Milan): TFL, "Feasibility Study for a central London cycle hire scheme", November 2008.

<sup>8</sup> Source: Cosimo Chiffi, Eltis case study - Eltis is part of Intelligent Energy Europe which is the EU's tool for funding action to move towards a more energy intelligent Europe.

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City	Scheme Size	Operator	Funding <sup>7</sup>
	Bikes 400	Bahn	also saw Call a Bike as a successful, viable option. The city didn't want a single private company to control onstreet advertising.

## 4 Market Consultation

### 4.1 Overview

As part of the process of producing this report a market consultation exercise was performed to establish the level of interest within the Bike Scheme operator marketplace for BSSs in the Regional Cities. This market consultation exercise included meetings or conference calls with bike scheme operator entities.

### 4.2 Summary of findings

Each of the operators consulted had slightly differing viewpoints depending on their particular approach to providing schemes and their commercial positions. However, in attempting to distil some of the common themes coming out of the consultation exercise the following points are worth noting:

- 1 At the outset it is essential that the scheme objectives are identified and agreed. The scheme cannot be all things to all people and it must agreed who is it intended to serve. The schemes can be part of an integrated transport solution but this must be planned correctly. Different types of scheme can have very different costs;
- 2 The current outdoor advertising market is depressed compared to a number of years ago. It is unlikely that the schemes could be entirely funded by advertising. There is a pool of money which companies have available to spend on outdoor advertising. Increasing the number of advertising spaces does not increase this pool of money. It may however have a displacement effect where advertising revenues are transferred from other areas, for example bus shelters;
- 3 A common theme among operators was that if performance standards are overly onerous, as opposed to being flexible as demand evolves, the scheme becomes commercially very much less attractive. Requirements, for example, with penalties applying, to ensure that every station all day every day has either bikes for hire or spaces to return bikes are very difficult and potentially expensive to meet;
- 4 Depending on the length of the contract bikes and infrastructure may need to be replaced when the contract comes to an end. Perhaps the most important aspect might be the database of users which would of course be required for a new operator should a subsequent contract not be awarded to the incumbent operator;
- 5 The locking mechanism is vitally important to schemes with later schemes demonstrating admirable theft and vandalism statistics;
- 6 The cost of subscriptions in Dublin is very low. London is c. 5 times. Having subscriptions higher than Dublin is something which might be considered.

## 5 Potential Funding Options

### 5.1 Overview

The funding requirement will include upfront capital set-up costs and annual O&M costs thereafter. However it may be possible to structure a contract with low or zero upfront cost and rather have all costs factored into an annual payment (akin to an availability payment type Public Private Partnership ("PPP") structure).

Public funds are an increasingly scarce resource in Ireland and the NTA will have limited resource available to meet the costs of a BSS in the Regional Cities. Recognising this, other sources of funding must be considered. The remainder of this section examines the potential revenue raising options for the BSS. Section 6 then considers how these revenue generating options might be incorporated into a tender for the scheme.

### 5.2 Outdoor advertising in cities

Many global bike hire schemes similar to what is proposed by the NTA have been provided by outdoor advertising companies in return for advertising space. This is the basis of the dublinbikes scheme as discussed above, where JCD is the provider. JCD also provides a similar service in many European cities including Paris (Vélib - in return for operating the Velib scheme in Paris JCD get exclusive rights to the 1,628 billboards<sup>9</sup>), Brussels (Villo), Lyon (Vélo'V) and Seville (Sevici). Clear Channel provides schemes on a similar basis in Stockholm (City Bikes), Oslo (Citybikes), Milan (BikeMi), Perpignan (BIP) and Zaragoza (bizi). Clear Channel also provides the scheme in Barcelona (Bicing) which has been funded from ring-fenced public funds generated through additional car parking revenue rather than advertising. (Transport for London ("TFL") operates a bike hire scheme - Barclays Cycle Hire, known colloquially as Barclay Bikes – which does not use the advertising model. This is discussed further below).

JCD provide the dublinbikes scheme (and additional services) in return for the concession to erect advertising panels (and sell the advertising space) in specific locations on DCC property. JCD was given the concession to the site. They then had to separately obtain planning permission. The experience in Dublin was that there many objections from members of the public against the planning applications. This is worth bearing in mind with respect to the Regional Cities – for example objections might be reduced by specifically linking the advertising site planning applications to the provision of a bike hire service in the city.

In order to progress this option each of the city councils in the Regional Cities in question would need to carry out a detailed assessment of their overall outdoor advertising strategy. This would include examining the potential for new advertising sites – new sites would be required as simply diverting existing advertising revenues to this use from another would be a zero sum exercise leaving a shortfall elsewhere. The city councils would need to consider where might the best available sites be to maximise revenues where saturation point for outdoor advertising has not already been reached. This needs to be done in the context of the total public sector linked outdoor advertising space in each city.

This process has already been discussed with each of the city councils as part of the process of producing this Report. Each was asked to consider the following:

<sup>9</sup> The Economist, "Vive la Vélorution! JCDcaux and Clear Channel Outdoor battle over urban bike-schemes," Sep 20th 2007

- a) would the city councils be amenable to using advertising to fund a BSS in the city?;
- b) could they identify likely locations and types of advertising structures?; and
- c) could they estimate the likely revenue which could be generated?

This process should be continued in the next phase of the project.

Section 6 below discusses how the tender might be structured using revenues from advertising; however it is worth stressing that the strong view from the outdoor advertising market is that the schemes cannot be entirely funded from advertising alone.

### 5.3 Advertising on bikes

Advertising on the bike itself is another option to generate additional revenue for the scheme. Small advertising panels could be included on the bikes – for example under the crossbar, on mudguards, or on the front. This space could then be sold, most likely to a single advertiser for the entire scheme or on a city by city basis. The traditional outdoor advertising of selling panels on a 2-week cycle is not likely to be practical. More likely would be a 2-3 year contract with a single entity.

This is similar in some respects to the option considered in Section 5.4 below - Scheme Sponsorship / Sale of Naming Rights. It is likely however, that if advertising were to be included on the bikes then Scheme Sponsorship / Sale of Naming Rights would not be a viable option. The two are likely to be mutually exclusive.

Again, it is a very difficult advertising market at present. Advertising on the bikes is unlikely to be a long term solution. A sponsorship deal, which is similar in many respects, be a preferred option.

### 5.4 Scheme Sponsorship / Sale of Naming Rights

In Ireland there is little by way of direct precedent for what is suggested here. Sale of “naming rights” typically attach to music venues (The O2) or sporting arenas (The Aviva Stadium). It is an option however to sell the “naming rights” to, or obtain sponsorship for the proposed BSS. In this respect it is useful to further consider TfL’s London bike scheme.

Section 3 above gives an overview of the London scheme. Lot 3 of the TfL tender sought a sponsor for the scheme. Barclays bank was awarded sponsorship rights to both the London scheme and to “cycle superhighways” which are dedicated cycle lanes in the city. Barclays agreed to pay TfL £25m over five years. The sponsorship deal entitles Barclays to name the scheme, design the bikes’ branding space and brand accompanying marketing and communications material. The bank’s corporate insignia is also stamped on maintenance support vehicles and uniforms.

With respect to the proposed Regional City BSSs the sponsorship/naming rights competition could be run individually for each of the Regional Cities which might appeal to more local companies specifically associated with or based in each of those cities. However, a single competition for the four cities might provide a greater critical mass for a potential sponsor and might appeal to a wider range of companies.

It is important to point out that this is generally another form of outdoor advertising, although targeting companies interested in raising brand awareness rather than simply a time limited specific advertising campaign. As noted already in this Report the outdoor advertising market is very weak at present so interest in such a sponsorship is likely to be lower than might have been the case a number of years ago. In different times such a scheme might have appealed to the Irish banks for

example, similarly to London; however this may not be the case at present. The Outdoor Media Association (“OMA”) produces information each year detailing the top 10 purchasers of outdoor advertising. The 2010 top 10 was as follows<sup>10</sup>:

<b>2010 - Advertisers</b>	
<b>Advertiser</b>	<b>€m</b>
DIAGEO	7.3
METEOR	5.4
HEINEKEN IRELAND	5.2
UNILEVER	3.8
VODAFONE	3.4
NESTLÉ	2.7
COCA COLA IRELAND LTD.	2.6
UPC IRELAND	2.6
GLAXOSMITHKLINE	2.1
WARNER BROS	2.0

Such a sponsorship/naming rights competition might appeal to these or similar companies. (Consideration may need to be given to whether sponsorship by an alcoholic drinks company for example would be appropriate). The scheme might also be of appeal to international companies who might not otherwise have a large outdoor advertising budget but who may simply find sponsoring a scheme perceived as “green” or “environmentally friendly” or “healthy” as an appealing prospect – multinational IT, software or internet companies for example.

It is extremely difficult to estimate what the advertising associated with the sponsorship of the BSS might be. Looking at the TfL deal each £1m of investment by Barclays allows them to brand the equivalent of c.240 bikes, 16 docks and a portion of the “cycle superhighways”. However, this is for sponsorship of one of the world’s largest bike schemes in one of the biggest tourist destination cities in the world. The price that Barclays paid may also be subject to an “Olympic Premium” as the 2012 Olympics will see London’s zone one, where the bike scheme is located, heavily branded with Barclays’ corporate insignia. Given the difficulties associated with putting a value on a potential sponsorship deal this Report has not sought to do so. Ultimately the value would be determined by what somebody would be willing to pay in a Tender competition. Again, it is worth making the point that there is a single pool of funds available for outdoor advertising. If a traditional outdoor advertiser were to sponsor the scheme it is likely that its budget for traditional outdoor advertising would be reduced accordingly.

Section 6 below discusses how the tender might be structured using a sponsorship / naming rights competition.

## 5.5 Business contributions

Since the inception of dublinbikes in 2009 DCC has had a number of unsolicited approaches from private companies interested in locating bike stations adjacent to their premises. Companies see this as an attractive proposition for their employees and a potential influencing factor in attracting staff. It would be worth exploring the possibility of generating revenue from possible business contributions in return for locating stations close to a particular business premises, in the context of a BSS in

<sup>10</sup> Source: OMA Rol January - December 2010 Top 10 Reports



Regional Cities. The location, it must be emphasised, would have to fit within the parameters of the network.

There are a number of important considerations which would need to be analysed. For example, the scheme would need to remain freely available to all users – paying to have a station nearby could not automatically give rights to employees of that company to use the bikes to the exclusion of others. The concession in return for the “fee” would be the station location (or potentially the naming of the station if scheme naming rights were not separately considered), not any concession over usage.

If such an approach was being considered and sufficient companies could be identified who were keen to participate the level of the fee would need to be carefully considered. Most companies are carefully watching their discretionary spending so the fee level would need to be such that it encouraged participation. However, it should also be high enough that it would make a meaningful impact on the costs involved. The structure of the fee would also be very important - for example would it be a once off fee which would assist with the station capital costs or would it be an annual fee to assist with ongoing O&M costs, or perhaps a combination of both?

Other matters requiring some consideration include whether stations needed to be on city council land or whether they could be considered on the property of the company in question and how this would impact on the agreement; how close would the station be required to be to a company’s premises; a standard agreement would need to be drafted giving the NTA required flexibility over, for example, contract termination and its consequences.

An exercise should be performed to identify from the initial feasibility study document the likely locations for stations in the Regional Cities and the companies in the locality who might be approached regarding financial support. A market consultation in this area might be useful in developing a strategy for business contributions. However it is important to note that in the context of the overall scheme costs this option is unlikely to generate significant funds towards costs – it would just be a contributor.

## 5.6 Higher Subscription Fees

Bike schemes each have their own subscription pricing and payment structures; however there tends to be similar aspects to most. Generally there is a subscription fee which allows free trips for a short period of time after which an additional charge is levied. This varies between schemes.

The dublinbikes subscription fees and charges are set out on the table below<sup>11</sup>.

SUBSCRIPTION FEES					
LONG TERM HIRE CARD €10	3 DAY TICKET €2				
A guarantee of €150 is required					
db SERVICE CHARGE					
First ½ Hour	1 hour	2 hours	3 hours	4 hours	Every extra ½ hour
FREE	€0.50	€1.50	€3.50	€6.50	€2

The subscription fees and usage charges for the London, Paris and Barcelona schemes are detailed in the following table<sup>12</sup>:

<sup>11</sup> Source: dublinbikes website

<sup>12</sup> Source: TfL website; Velib website; and Bicing website.

London	Paris	Barcelona
<b>Access fee</b>  24 hours -£1 7 days - £5 (equivalent to only 71p/day) Annual - £45 (equivalent to only 12p/day)  <b>Usage charge</b> (time between picking up and returning a cycle) Up to 30 minutes - FREE Up to an hour - £1 Up to one and a half hours - £4 Up to two hours - £6 Up to two and a half hours - £10 Up to three hours - £15 Up to six hours - £35 Up to 24 hours (maximum) - £50	A subscription to use the system is required and prices vary as follows: Annual subscription - €29 Seven-day subscription - €8 One-day subscription - €1.7  There is a 30-minute free period of use. For the first additional half hour €1 is charged and €2 for the second additional half hour. After this, the cost rises to €4 per additional half hour.	<b>Annual subscription</b> Registration fee - €30 First 30 minutes Free Additional 30 minutes up to two hours - €0.50 Penalty for exceeding two hours €3 per hour Cancellation of the service for exceeding two hours of use after three notices.

Looking at subscription fees in other cities it could be argued that subscription fees and service charges for dublinbikes could be raised and that by doing so significant additional revenue could be generated.

However, it is felt that one of the major reasons for the success of the scheme has been that it is seen as relatively inexpensive. If the pricing levels were higher the scheme may not have been as successful. Indeed increasing the pricing could risk alienating the scheme users who have made the scheme so successful. If there was significant price elasticity of demand an increase in pricing might not lead to an increase in revenue. Notwithstanding this however, there is likely to be some scope for price increase.

As seen from the data above with respect to other cities higher annual subscriptions can be achieved. The pricing scheme adopted with respect to the Regional Cities would need to be carefully considered balancing the desire for maximum usage with revenue generation. Comparisons by users to dublinbikes would also be likely.

## 5.7 Advantages and Disadvantages

	Advantages	Disadvantages
Advertising sites in cities	<ul style="list-style-type: none"> <li>Well established method for funding similar schemes;</li> <li>A source of potential new revenue for the authority;</li> <li>Allows opportunity to consider new forms of outdoor advertising e.g. on motorways.</li> </ul>	<ul style="list-style-type: none"> <li>Advertising market is currently depressed;</li> <li>Potentially significant displacement effect;</li> <li>Additional outdoor advertising may not be desirable from a planning perspective;</li> <li>Possible that insufficient appropriate sites available;</li> </ul>

	Advantages	Disadvantages
		<ul style="list-style-type: none"> <li>Availability and scope vary by city.</li> </ul>
Advertising on bikes	<ul style="list-style-type: none"> <li>Again a source of potential new revenue.</li> <li>Potentially different target advertising market versus advertising sites.</li> </ul>	<ul style="list-style-type: none"> <li>Advertising market is currently depressed;</li> <li>Potential displacement effect;</li> <li>Additional outdoor advertising may not be desirable from a planning perspective;</li> <li>Would likely make a sponsorship deal less attractive to companies.</li> </ul>
Sponsorship of scheme or sale of naming rights	<ul style="list-style-type: none"> <li>Again a source of potential new revenue;</li> <li>Precedent exists in London scheme;</li> <li>Potentially different target advertising market versus advertising sites.</li> </ul>	<ul style="list-style-type: none"> <li>Difficult to estimate interest or value;</li> <li>Potential displacement effect.</li> </ul>
Business contributions	<ul style="list-style-type: none"> <li>A source of potential new revenue which shouldn't reduce revenues elsewhere;</li> </ul>	<ul style="list-style-type: none"> <li>Potentially difficult to structure to suit multiple parties – must ensure that network structure not adversely impacted;</li> <li>Potential revenue relatively small for efforts involved;</li> <li>No known precedent;</li> <li>Again difficult to estimate interest and value.</li> </ul>
Higher subscription fees	<ul style="list-style-type: none"> <li>Higher fees seem to be achieved elsewhere (though trade-off between usage level and fee levels not known);</li> </ul>	<ul style="list-style-type: none"> <li>Risks alienating potential users if higher than “benchmark” dublibikes scheme;</li> <li>Risks fewer users.</li> </ul>

## 6 Procurement structuring options

### 6.1 Overview

This section explores some of the options available to the NTA for how the Project might be commercially structured for procurement.

### 6.2 Scheme Objectives

In order to assess the different potential options available for structuring the procurement it is useful to set out what are the likely key objectives of the NTA for the BSS.

One of the key messages coming out of the market consultation exercise performed was that before commencing the procurement of a BSS the cities had to have a clear understanding of what is the objective of the BSS to the city. Is it aimed at commuters for example, or workers during business hours or tourists etc? They need to decide what they are trying to achieve with the scheme and then devise a scheme in this light. If the scheme does not have a clear objective and vision it risks trying to appeal to everyone and succeeding in appealing to none.

The following table sets out our understanding of what those key objectives might be:

Objective	Description
Procure BSS for regional cities that meets the objective of that city	The key objective is to procure a BSS for the Regional Cities which meets the objectives and vision for the scheme for the city.
Ensure Value for Money ("VFM") for exchequer. Ideal would be if cost neutral for Exchequer	As with all public procurements the scheme should provide VFM for the Exchequer. It would be preferable if a solution could be found which were cost neutral for the Exchequer – while acknowledging that this may not be possible.
Maximum usage in cities	The dublinbikes scheme has been very successful as it has attracted a large number of users. The BSS in the Regional Cities should have the objective also of maximising users.
High Service standards	A BSS in the Regional Cities would be expected to have high service standards.
Flexible contract	The contract for the BSS should specifically deal with the concessionaire's obligations and in what manner they could be amended. The NTA should have the ability to expand or reduce the scope of the scheme and to vary or terminate the contract. In particular, flexibility should be provided to deal with amendments to numbers of stations or bikes. In addition, any contract should be "future proofed". The dublinbikes scheme is in the third generation of such bike schemes globally. Advances are being constantly made in this respect and the NTA should ensure that the BSS can be updated in time, for as yet unknown, future advances in the technology and infrastructure.
Ease of contract management	Ideally the management of the contract should not cause undue pressure on the resources of the NTA.
Timely roll-out	The BSS should be rolled out in a timely manner. In order to achieve

	this, the procurement process should ideally not be overly protracted.
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The options discussed below will be considered in the context of these objectives.

## 6.3 Options

### 6.3.1 Option 1 - Combined bike and advertising contract

As noted in Section 3 many bike hire schemes, including Dublin, are provided by outdoor advertising companies in return for advertising space. The contract for this BSS could be structured in a similar fashion.

Where advertising sites/panels were to be used as a source of revenue and planning sought post signing of contract, there is no clear visibility on contract signing as to the actual number of sites/panels which will ultimately get planning consent and provide advertising revenue. This is clearly an issue as it means that there isn't visibility on the difference between scheme cost and advertising revenue. A potential solution to this would be to obtain the planning permissions in advance of the signing the contract or even in advance of going to tender. This approach would potentially cause a delay in procurement but would give greater certainty over advertising revenues. Were this approach not taken the consequences for the scheme of reduced advertising panels and revenue as a result of refused planning permission would need to be agreed in advance.

As noted in this Report, market feedback from the outdoor advertising companies describes a market which is struggling considerably in the current economic climate. Feedback further suggests that it may be very difficult to get the outdoor advertising market to take the risk on revenue generated from outdoor advertising in funding a BSS. This was possible when Dublin was contracted but the economy was very different at that time. It is likely that outdoor advertising companies would put a low value on the additional advertising space in order to de-risk its own position. The operator would then get the benefit if the market improved.

A significant factor which must also be considered is the IT / back-office system required for a BSS. If an operator had to develop the software and processes from scratch it is likely that this cost would be significant.

Were Option 1 to be chosen the scheme would have the following characteristics:

- In return for providing a BSS (i.e. Design, Build, Operate and Maintain ("DBOM")) to the specification of the NTA, the successful tenderer would obtain a concession granting access to a specified number of advertising sites;
- Depending on the approach taken the successful tenderer may have to separately obtain planning permission for the sites;
- The successful tenderer would be required to erect the advertising panels on the sites and would then generate revenue from the advertising panels for the period of the concession;
- The operator would be best placed to maximise revenue from additional advertising space as this is their business;
- Subvention would probably still be required; and

- The process at the end of the concession would need to be agreed but the contract would be structured in such a manner that ownership of the advertising panels and bikes remains with the NTA (akin to a PPP transaction e.g. a road PPP).

### 6.3.2 Option 2 – Publicly funded scheme – possibly using ring-fenced revenues from advertising on the bikes and/or city sites to fund scheme but not included in tender

The key difference from the NTA's viewpoint between Options 1 and 2 is that the advertising sites would not be included as part of the tender in Option 2. Rather, the NTA would seek a tenderer to DBOM the BSS in return for an "operating fee". The tender could be structured such that the operating fee covered both Capex and O&M (this would be akin to an availability payment type approach in a PPP contract) or perhaps could be structured such that there were separate capital payments during the Design and Build ("D&B") period to cover Capex and an operating fee to cover the O&M period (this would be more akin to the Construction Payment and Operating Payment structure of earlier road PPPs). The Milan scheme for example, discussed in Section 3, above had capital costs funded by the municipality.

The identified advertising sites (which would need to fit into the wider outdoor advertising strategy of the city) would generate revenue for the NTA or City Councils which would be used to fund the BSS. However the advertising would be controlled by the NTA or the City Council (through a service provider) but would be ring-fenced to fund/part-fund the BSS. The revenue risk associated with the advertising would remain with the NTA or City Council. On the flip side of this however, there would be no in-built contingency in the tender as there might be under Option 1 to allow for a potential short fall in advertising revenue. If advertising market conditions were to improve the NTA / City Council would get the benefit. The NTA would have the added issue of having to manage both a bike and an operating contract.

The closest precedent to this approach might be Barcelona where ring-fenced parking fees are used to fund the scheme rather than advertising. A number of German schemes operated by Deutsche Bahn are also publicly funded though not through advertising. The Barclays Cycle Hire scheme in London as discussed in Section 3 above is also publicly funded. This has a sponsorship model as discussed rather than advertising. Usage fees in these examples also help to fund.

From the operators point of view Options 1 and 2 are very different and may appeal to different bidders. It must be borne in mind that some operators, who operate many of the similar schemes in Europe, primarily are outdoor advertising companies rather than bike scheme operators. The operation of the bike schemes developed as a means of obtaining access to outdoor advertising locations. Option 1 would very much appeal such operators but perhaps not to operators who are not in the advertising industry. Conversely, Option 2 would appeal to some operators but not others. While non-advertising operators may be less interested in Option 1 which includes advertising, the possibility exists for them to team up with an advertising company, if they so wished, to work around this point.

Option 2 would have the following characteristics:

- There would be a tender for a contractor to DBOM the BSS in return for a fee (which could be structured in a number of different ways);
- The BSS would be publicly funded;

- The party operating the advertising i.e. the NTA or City Council would apply for planning permission for the structure and would be responsible for the capital and ongoing O&M costs associated with the structure; and
- Any shortfall in the difference between the advertising revenue and the “operating fee” would be for the NTA/City Council’s account.

### 6.3.3 Option 3 – BSS Contract with a separate but linked advertising contract

Option 3 involves a procurement which would have two linked contracts. The first contract would be for a publicly funded BSS. The second contract would then be a separate contract for advertising space with a significant revenue share for the procuring authority. The fact that the BSS would be publicly funded would ensure that it was not entirely reliant on the advertising element to operate, thus ensuring that, as in the current environment where outdoor advertising revenues are depressed, the scheme could be procured. The contracts would need to include an incentivisation mechanism to encourage the maximum generation of advertising revenue so that the costs to the authority of funding the BSS could be offset via the revenue share. As the outdoor advertising market picked up the operator would need to be incentivised to generate additional advertising revenue. This could be achieved for example by giving a greater proportion to the operator for higher levels of revenue attained. The level of subvention would then gradually decrease as the advertising market recovers.

From the operators point of view he would have certainty over his operator fee while still being incentivised to maximise advertising revenues. From the authority’s point of view, it would ensure that experienced operators who are advertising companies remained interested in bidding for the scheme. It would however, mean that the authority would be contractually obliged to initially fund the BSSs through an operator fee while still retaining some advertising revenue risk. While there would be two contracts – they would be connected and be with the same party.

### 6.3.4 Option 4 – Combination of Option 1 and a Naming Rights/Sponsorship Competition

Option 4 would combine Option 1 above with a tender, which could run in tandem with or separately from the DBOM tender, for a sponsor for the naming rights to the BSS. The Sponsorship/Naming Rights could be included in or separate from the advertising and the contract could be structured for a once off payment or spread over the life of the contract – which would be determined by the NTA. Again, the closest precedent to this model is the London scheme.

### 6.3.5 Option 5 - Combination of Option 2 and a Naming Rights/Sponsorship Competition

Option 5 would see a combination of Option 2 above with a naming rights/sponsorship tender.

### 6.3.6 Option 6 - Combination of Option 3 and a Naming Rights/Sponsorship Competition

Option 6 would see a combination of Option 3 above with a naming rights/sponsorship tender.

## 6.4 Advantages and Disadvantages

	Advantages	Disadvantages
Option 1 - Combined bike and advertising contract	<ul style="list-style-type: none"> <li>• Would attract outdoor advertising companies some of whom are very experienced operators;</li> <li>• Existing outdoor advertising operators have the systems and processes in place already for existing bikes schemes and could potentially just add on new cities;</li> <li>• Advertising revenue risk with operator;</li> <li>• Operator responsible for installing advertising panels (and possibly for getting planning permissions);</li> <li>• Operator most likely an advertising company so risk with person best placed to manage the risk i.e. they have the structures in place to maximise profit from advertising panels;</li> <li>• The authority would have only a single contract to manage.</li> </ul>	<ul style="list-style-type: none"> <li>• Outdoor advertising market is depressed at present;</li> <li>• There would potentially be a displacement impact on other outdoor advertising in the cities e.g. bus shelters;</li> <li>• Operator will possibly factor in a contingency to cover revenue risk i.e. lower revenue benefit and higher subvention;</li> <li>• Operator possibly earning "excessive" profit if advertising revenues outperform;</li> <li>• Possibly a less flexible contract;</li> <li>• Operators who are not Outdoor Advertising companies may not be interested (though they could potentially enter into separate arrangements with an Outdoor Advertising company with respect to the advertising).</li> </ul>
Option 2 - Publicly funded scheme – possibly using ring-fenced revenues from advertising	<ul style="list-style-type: none"> <li>• No operator contingency to cover revenue risk;</li> <li>• NTA/City Council possibly earning additional profit if advertising revenues outperform;</li> <li>• Can fit the advertising in with the wider authority advertising strategy e.g. bus shelters;</li> <li>• Potentially more flexible contract as revenues accrue to NTA/City Council who then decide on usage.</li> </ul>	<ul style="list-style-type: none"> <li>• Outdoor Advertising companies may not be interested;</li> <li>• Possible that tendering operators don't have existing systems and processes in place which could be costly to develop;</li> <li>• NTA/City Council responsible for installing advertising panels and for getting planning permissions;</li> <li>• Advertising revenue risk with NTA/City Council;</li> <li>• NTA/City Council would outsource the management of the advertising panels with the inherent cost;</li> <li>• Two contracts to manage.</li> </ul>



	<b>Advantages</b>	<b>Disadvantages</b>
Option 3 – Linked Contracts	<ul style="list-style-type: none"> <li>Existing outdoor advertising operators would be more likely to bid – they have the systems and processes in place already for existing schemes and could potentially just add on new cities;</li> <li>Non-advertising companies could simply either team up with an advertising company or appoint one to manage this element of the scheme;</li> <li>Risk contingency in the pricing should be avoided;</li> <li>Risk of operator possibly earning “excessive” profit if advertising revenues outperform reduced or eliminated as revenues would be shared;</li> <li>Operator responsible for installing advertising panels (and possibly for getting planning permissions);</li> <li>Advertising revenue risk shared with operator;</li> <li>Advertising company would run this element of the scheme so risk with person best place to manage the risk i.e. they have the structures in place to maximise profit from advertising panels.</li> </ul>	<ul style="list-style-type: none"> <li>Possibly a less flexible contract;</li> <li>Some advertising revenue risk with the NTA;</li> <li>Two contracts to manage (but with same party).</li> </ul>
Option 4 – Combination of Option 1 and a Naming Rights/Sponsorship Competition	<ul style="list-style-type: none"> <li>As per Option 1;</li> <li>Additional revenue for little additional cost.</li> </ul>	<ul style="list-style-type: none"> <li>As per Option 1;</li> <li>Market demand or interest is uncertain.</li> </ul>
Option 5 – Combination of Option 2 and a Naming Rights/Sponsorship Competition	<ul style="list-style-type: none"> <li>As per Option 2;</li> <li>Additional revenue for little additional cost.</li> </ul>	<ul style="list-style-type: none"> <li>As per Option 2;</li> <li>Market demand or interest is uncertain.</li> </ul>
Option 6 – Combination of Option 3 and a Naming Rights/Sponsorship	<ul style="list-style-type: none"> <li>As per Option 3;</li> <li>Additional revenue for little additional cost.</li> </ul>	<ul style="list-style-type: none"> <li>As per Option 3;</li> <li>Market demand or interest is uncertain.</li> </ul>

	Advantages	Disadvantages
Competition		

## 6.5 Options versus objectives

The following table examines each of the options discussed above in relation to the objectives identified at the start of this section (Options 4-6 largely the same as Options 1-3).

Objective	Option 1 – Combined bike and advertising contract	Option 2 – Publicly funded scheme – possibly using ring-fenced revenues from advertising	Option 3 – linked contracts
Procure BSS for regional cities that meets the objective of that city	No major differentiation between options.		
Ensure Value for Money (“VFM”) for exchequer or better if cost neutral for Exchequer	Tenders possibly containing risk contingencies for advertising revenue, though would attract outdoor advertising companies who are experienced operators and have systems in place.	If tenderers do not already have the systems and processes in place from existing BSSs then development cost could be high. Would also depend on whether the potential savings associated with having an outdoor advertising company manage the advertising themselves as opposed to for the NTA, would outweigh a potential revenue risk contingency in the tender.	Should avoid risk contingency as the BSS is publicly funded. Authority would need to have advertising revenue share. Operator would need to have incentivisation to maximise advertising revenue.
Maximum usage in cities	No major differentiation between options. Possibly greater profile if there is a sponsor in place but not guaranteed.		
High Service standards	Possibly higher O&M Standard	Possibly lower O&M standard but contract could include performance requirements and penalties – though market feedback suggests that it is not commercially viable for these to be excessively onerous.	Could be an outdoor advertising operator or not depending on bidder structure.
Flexible contract	Arguably less flexible contract as revenues directly for the account of the operator.	Arguably more flexible contract as revenues directly for the account of the NTA/City Council.	Arguably less flexible contract as revenues directly for the account of the operator (but

Objective	Option 1 – Combined bike and advertising contract	Option 2 - Publicly funded scheme – possibly using ring-fenced revenues from advertising	Option 3 - linked contracts
			with revenue share).
Ease of contract management	Single Contract to be managed by NTA (i.e. BSS)	Two contracts to be managed (i.e. BSS and advertising management). Additional time and effort also required for planning permissions.	Two contracts with the same party to be managed (i.e. BSS and advertising). Additional time and effort not required for planning permissions.
Timely Roll-out	Largely the same.		

## 6.6 Other considerations

### 6.6.1 Business Contributions

The potential to obtain business contributions from companies for locating stations proximate to their premises as discussed in Section 5.5 above should be fully explored. If a workable solution could be structured and agreed with businesses, this could then be incorporated into any of the options discussed above. It would be important to ensure that elements of the business contribution structure did not cut across elements of other revenue raising options chosen – for example giving naming right to stations to individual businesses might impinge on a wider naming rights competition.

### 6.6.2 Length of Contract

The length of the contract may depend on the procurement structure chosen. For example, if advertising is not included within the contract a shorter term may be preferable e.g. five years, as it would provide more flexibility to the NTA. This could perhaps be combined with an option to extend. However, were advertising is to be included in the scheme it may make sense to have a longer contract term as this would provide more revenue to the operator to cover the initial costs associated with installing the advertising structures, obtaining planning permissions.etc

### 6.6.3 Infrastructure remaining with NTA

The NTA indicated that it would like the bikes and associated infrastructure to remain in the ownership of the NTA or City Council at the end of the contract. At the end of a (say) 15 year contract the bikes and very likely the infrastructure may require replacement. Technology will have moved on. Any subsequent operator will have its own IT and back-office system as the infrastructure and technology does not appear to be inter-operable between providers. In this respect the database of users may in fact be the most important piece of the scheme to retain.

### 6.6.4 Backoffice

The norm for existing bike scheme operators is that they have a central backoffice system for all their schemes. They then simply add a scheme on to the existing software when they expand to a new city. If this backoffice structure needs to be set up from scratch the cost implications are likely to be high.

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### 6.6.5 Locking mechanism

Another key point arising from the market consultation is the importance of the locking mechanism. With some earlier schemes the locking mechanism was not secure enough in its functionality and resulted in the considerable loss of bikes. Later schemes seem to have resolved this issue (e.g. Dublin); however the NTA needs to ensure that this aspect of any proposed scheme is robust.

### 6.6.6 Single versus Multiple Procurements

The Project involves the potential introduction of a BSS to four Regional Cities. In terms of procurement this could be done as a single contract for four cities or as four different contracts, one for each of the cities. For the following reasons the single contract option may be preferable:

- It would provide economies of scale in terms of cost;
- It would provide that a single “control centre” could operate the four schemes with attendant significant cost savings;
- It would provide greater critical mass for the use of advertising as a source of revenue or for a naming rights competition;
- It would provide for the inter-changeability of bikes, service vehicles, staff etc between cities, again with attendant cost savings;
- There would be likely time savings in terms of procurement with a single contract; and
- It would mean a single contract to be managed by the NTA.

If some schemes are more viable than others these could be omitted but the same point would apply to the cities remaining.

This Report generally assumes a single contract for all four cities on the basis of the above.

## 7 Recommendations

Key issues identified for consideration include:

- A key point arising from discussions with existing operators is that procuring authorities in cities need to have clear objectives for what it is they want the BSS to achieve. They need to decide who are the customers to which they are trying to appeal. This should be the first goal of each city and this will then inform and guide on the scheme which is procured.
- Based on the analysis in this Report it is recommended that advertising revenue be utilised to fund the scheme in combination with a competition for the sponsorship/naming rights to the scheme. The inclusion of advertising to fund any scheme needs to be considered in the context of the overall outdoor advertising strategy of the city, particularly in relation to public sector advertising space e.g. bus shelters, train stations etc. The possibility of seeking business contributions should be further explored while acknowledging that there are significant complications with respect to this potential funding and the amounts involved might be modest.
- The question thus arises as to whether the advertising should be included in the contract or kept separate. Feedback from the market consultation exercise performed was unequivocal in its description of the difficult trading environment being experienced in the outdoor advertising market. Recognising this, it is not likely that advertising will be able to fund the entire scheme and may in fact only be a minor contributor in the short-term.

Options 1 (combined bike and advertising contract) and 3 (separate but linked bike and advertising contracts) might appeal to existing outdoor advertising operators. With Option 1 tenderers may include significant risk contingency with respect to advertising revenues. This would not be evident in Option 2 and would be likely to be lower in Option 3. A recovery in the advertising market would benefit solely the operator in Option 1 and solely the Authority in Option 2, but would be shared in Option 3. Option 3 would need to include incentivisation for the operator to maximise advertising revenues which would be shared with the Authority to offset the subvention needed. With Option 2 the Authority would have to enter into a separate advertising management contract with an outdoor advertising company with the attendant costs involved. Option 3 would see an outdoor advertising company manage the advertising and provide a share of the revenues to the Authority.

Taking the above into consideration the NTA might further consider Option 3 - the linked contract option. This would retain an advertising element within the contract structure, thus keeping the outdoor advertising companies interested in bidding. While recognising that outdoor advertising alone could not currently fund the BSSs, it would provide some revenue from advertising at this time. However, were the market to improve at some time in the future, revenues from advertising could be potentially much more significant. The contracts would need to include incentivisation mechanisms in order to maximise advertising revenue over the period of the contract and minimise subvention.

- Consideration should be given to the potential for progressing planning during or in advance of tender in order to maximise certainty for tenderers as to the sites available. In seeking planning permission and depending on what information is in the public domain at that time with respect to the potential BSS in the Regional Cities it may be useful to make it known that planning is being sought for structures to help fund a bike scheme. This may help to reduce the number of planning objections.

- Serious consideration should also be given to the level of the subscription and usage fees payable. The fees associated with schemes in other European cities would suggest that the fees in Dublin are relatively very low. London, for example has an annual subscription fee of £45 (c. five times the dublinbikes fee). Higher subscription and/or usage fees could be a more significant contributor towards costs.
- If BSSs are tendered together, consideration should be given to permitting users access across all of the schemes for a single membership. This is likely to appeal to a wider group. At some point in the future when integrated ticketing is operational, the possibility of including bike schemes could be considered.

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## 8 Next Steps

The following sets out suggested next steps for the Project:

- Decide on the objective for the PSB in each city i.e. who is the scheme supposed to serve?
- Establish what is the outdoor advertising strategy for publicly owned advertising space in each of the cities where a BSS is to be procured e.g. bus shelters, billboards etc. Perform a detailed exercise with each of these cities to identify potential sites for advertising and endeavour to establish a likely value for each site. (This process has been commenced.) Seek to establish the supply versus demand imbalance for outdoor advertising in each city and the likely displacement impact of additional units;
- Discuss if possible with TfL the deciding factors in not going the route of using advertising in their contract;
- Confirm the current estimate of required stations and bikes per city;
- Confirm identity of potential sites for stations and identify companies located nearby. Engage in a market consultation exercise to determine the level of interest in including provision for Business Contributions in return for locating stations near business premises. This process should also seek to identify likely contribution levels and how such an arrangement might be structured;
- Decide on the preferred commercial structure of the contract; and
- Prepare Tender documentation.





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# **Proposals for Introducing Public Bike Schemes in Regional Cities – Technical Feasibility Study**

**National Transport Authority**

**30 June 2011**

**Jacobs Engineering Ireland Ltd., Merrion House, Merrion Road, Dublin 4**

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## Executive Summary

The Minister of State at the Department of Transport, Tourism and Sport has requested that the National Transport Authority (NTA) examines *“potential means of introducing public bike schemes to other cities”*. As part of this examination, the Minister requested an assessment of the *“potential for partnership with or sponsorship by private sector collaborators to deliver the schemes at the lowest cost to the wider Government system.”*

There has been an exponential increase in the growth of bike-sharing schemes in Europe over the last five years largely due to the ‘big bang’ effect of the hugely successful schemes in Paris and Barcelona. There are now over 50 schemes across Europe, and many more in other continents. This level of activity has resulted in an increasing knowledge-base of the different types of scheme, and the factors which contribute to their success. This study draws heavily on the results of the OBIS bike-sharing research programme which came to an end very recently (June 2011), and has made available a number of research reports as well as an all-encompassing handbook. One of the more relevant key research findings is that the success of bike-sharing schemes in smaller cities has yet to be proven, unlike the schemes in the large cities such as Paris, Barcelona and Lyon.

This study also involved brief site-visits to the four regional cities of Cork, Galway, Limerick and Waterford to gain an understanding of the ‘exogenous’ factors in each city which would influence the success of any bike sharing scheme. These include current levels of cycling, topography, cost of car parking, amount of general traffic congestion, the extent of any cycle-friendly infrastructure, and the distribution of the major trip attractors throughout the city. Discussions were also held with officers at each of the city councils either face-to-face or by telephone.

This study has found that the regional cities have several of the characteristics that tend to result in successful bike sharing schemes such as very low current levels of cycling and cycle-friendly topography across large parts of the urban areas. However, the cities also display characteristics which suggest that the success of any bike-sharing scheme would be limited due largely to the small size of the cities, the relative lack of congestion and the fact that car travel, rather than public transport, tends to be the dominant mode. There is a little less clarity for some issues such as the impact of the climate. The cities featured in the European research were categorised according to temperature, and none of them had similar climates to the relatively mild and wet conditions of the Irish cities. However, the success of the Dublin scheme shows that the Irish climate does not prevent a scheme from being successful although, for the size of the population, the scheme does currently have a relatively small number of bikes and docking stations.

This study found that although the potential exists for successful schemes in each city, it would appear that schemes in Galway and Cork would be most successful partly due to the background levels of traffic congestion and the high price of car parking in both cities.

Estimates are provided on the number of bikes that a scheme in each city would require, the number of subscribers, and the amount of use each bike would receive per day. These are shown in the table below, and are based largely on a review of equivalent data in other European schemes. For a more robust prediction, primary research would need to be carried out in each city to explore the propensity to use a bike-sharing scheme among local residents, commuters, tourists and other visitors.

***Summary of Recommendations & Estimates for each Scheme***

	Cork	Galway	Limerick	Waterford
Recommended number of bikes	265-235	200-250	135-165	80-100
Recommended number of docking stations (and docking points)	25 (510)	23 (380)	20 (255)	10 (150)
Average number of docking points per station	20	15-20	10-15	15
Estimated number of subscribers	2250	1500	1500	900
Estimated daily rents per bike	3	2	1.5	1.5

Recommendations are made on the complementary measures which would be needed as a new scheme is introduced. Perhaps the most important one would be an increase in permeability for cycle traffic in the city centres through the provision of two-way cycling on one-way streets, and by opening up pedestrianised areas to cycling where conditions allow.

The capital cost (based on outline estimates encompassing; docking stations, bikes, assessment, maintenance vehicles, a national control room and monitoring equipment) in the four cities is an estimated €6.4 million. The bulk of this is assumed to take place within a 1 year delivery period. The total operating cost (including staff, premises, vehicle maintenance, bike replacement and materials) is estimated at €23 million spread evenly over a 14 year period. This level of expenditure assumes bike rental schemes are delivery as one contract within one year. A lower expenditure would be required if schemes are not progressed in all four cities, however the cost for one national control centre would remain necessary.

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### **1.1 Context**

The Minister of State at the Department of Transport, Tourism and Sport has requested that the Authority examine *“potential means of introducing public bike schemes to other cities”*. As part of this examination, the Minister has requested an assessment of the *“potential for partnership with or sponsorship by private sector collaborators to deliver the schemes at the lowest cost to the wider Government system”*. Jacobs has been commissioned by NTA to carry out this feasibility study.

All four cities were visited by Jacobs and meetings were held with the representatives of the City Authorities to gather information and obtain local input to the project.

### **1.2 Scope of Work**

The NTA has requested Jacobs to carry out an initial feasibility report in relation to the introduction of a “Public Bike Scheme”, similar to the scheme operated in Dublin City, in the cities of:

- Cork;
- Limerick;
- Galway; and
- Waterford.

The study addresses the following items on a city by city basis:

- (1) Description of “Public Bike Schemes” and approaches adopted elsewhere including Dublin City;
- (2) Review of existing survey and literature information to gain an understanding of the level of existing cycle usage in the city;
- (3) Identification of key demand points in the city;
- (4) Assessment of possible area for introduction of cycle scheme – a phased basis of implementation should be considered, with the current report focussing on the first phase in each city;
- (5) Some indication of the potential usage that might be anticipated;
- (6) Definition of the elements of a scheme – type of bike; stand types, booking arrangements; payment arrangements; maintenance requirements; indicative types of stand locations; and
- (7) Order of Magnitude costs for the installation and operation of these schemes assuming no advertising revenue.

### **1.3 Report Structure**

The structure of the report follows the scope defined above with a summary and recommendations included within Section 8.

### 2.1 Overview of Current Schemes

Authorities seeking to increase the amount of cycling that takes place traditionally treat the bicycle as a private mode of transport which requires individual ownership (or at least access). However, there are some examples of attempts to offer a fleet of bicycles to the public for short journeys in urban areas which go back several decades. The Cycling England publication, 'Public Bikes and Cycle Hire Schemes' categorises the different generations of cycle hire schemes into three groups.

The first was established in Amsterdam in the 1960s. The early schemes were plagued by theft, vandalism and abandonment, and were either unregulated or required users to pay a deposit and return the bike to a fixed location. The second generation of schemes was regulated through a deposit/refund system. These included the Bycyklen scheme in Copenhagen which incorporated a coin-operated locking mechanism which enabled users to remove customised bikes locked to on-street stands. Although a simple and convenient system, many of these schemes also suffered from theft and vandalism mainly because it was not possible to keep track of the bikes and their users. The third (and current) generation of schemes combats vandalism and theft through the use of technology (bicycles can be tracked), and very secure docking stations.

The dominant business model has included the involvement of major advertising firms such as JC Decaux and Clear Channel but other business models have been used including ones which use funding from car-parking revenue. The first automated, self-service, public bike scheme was opened in the French city of Rennes in 1998.

The highest profile international example to date has been the Velib scheme in Paris which opened in 2007. This was based closely on the Lyon scheme introduced in 2005, which was the first large-scale scheme of its kind, with several thousand bicycles, several hundred docking stations, and an average of over 20,000 trips per day. Many of the features of the Lyon scheme were used in Paris and elsewhere throughout Europe including the offer of a free 30 minute hire period, and the option to subscribe for a day, a week or a year. The Lyon scheme was run in conjunction with the advertising company JC Decaux. The Velib scheme in Paris was closely modelled on the Lyon scheme but introduced on a much wider scale with over 20,000 bicycles and nearly 1,500 docking stations. The Velib scheme was the largest one in the world until a new scheme was introduced in the Chinese city of Hangzhou in 2008 with over 60,000 bikes and around 2,500 docking stations.

Dublin introduced its 'dublinbikes' scheme in September 2009. For a city with a population of over one million, the scheme was initially introduced on a relatively small scale with around 400 bikes. Using the ratio of bikes to population from a typical European scheme would have resulted in a bike fleet of 2,000 to 3,000. Perhaps not surprisingly, the bikes have been very intensively used with each one rented an average of 9 times per day, considerably above the rate for Paris and London. As of May 2011, over 55,000 people had subscribed to the scheme, the highest number of trips per day was 6,000, average trip durations were 13 minutes, and 97% of journeys were under 30 minutes thereby attracting no usage fee.



## 2.2 Specification of a Bike-Sharing Scheme

The current generation of schemes has been described in different ways. However, the term ‘bike-sharing scheme’ appears to have gained the widest acceptability, and is the term used in the three year European research study, Optimising Bike Sharing in European Cities<sup>1</sup> (OBIS), which lasted from 2008-2011. The OBIS study handbook provides the following definition of a bike sharing scheme:

*A self-service, short-term, one way capable, bike-rental offer in public spaces for several target groups with network characteristics.*

The OBIS handbook notes that although the bikes used in a typical scheme differ in design and quality, they share the following general characteristics:

- *Robust parts – to minimise vandalism and to facilitate maintenance, operators use parts that are easy to replace including hub gears, drum brakes and plastic mudguards. Some operators develop custom made components to reduce incidences of theft;*
- *Unique design – to avoid theft and make the bikes more visible in public spaces, a unique design helps distinguish them from regular private bikes. The bikes within each scheme are usually the same colour with the same frame, and are recognisable even when stolen and repainted; and*
- *One size for all – an adjustable seat post makes them suitable for most users.*

A Cycling England guidance sheet<sup>2</sup> offers additional advice:

- *Mudguards and chain-guards to enable use in normal clothes, with a basket to make carrying luggage easier; and*
- *Safety - bikes must not pose a safety or health risk to users or non-users, and should be designed so that everyone can ride them subject to a minimum height (e.g. 1.5m). Lights (typically dynamo powered) should be built into each bike and be permanently illuminated. Bells are recommended especially when cycles will be used on surfaces shared with pedestrians.*

### 2.2.1 Docking Stations

The OBIS handbook notes that the most common type of bike sharing station includes docking stations and a rental terminal, connected with each other. The bike is locked to the electronically controlled docking point. The rental process takes place at the terminal or the docking point itself which can include touch screen display, card reader, printer and keyboard. The stations also offer space for additional advertising and/or information.

### 2.2.2 Payment Systems

Most of the recent large-scale schemes operate a ‘smartcard’ type system. Someone wishing to subscribe to the scheme pays for a smartcard (or key) for a fixed period of time (typically a year). Users can pay a one-off access fee for the whole year, for each week, or for each day of use.

<sup>1</sup> <http://www.obisproject.com>

<sup>2</sup> [http://www.ciltuk.org.uk/download/Smarter\\_Choices\\_Portfolio\\_public\\_bikes\\_and\\_cycle\\_hire\\_schemes14.pdf](http://www.ciltuk.org.uk/download/Smarter_Choices_Portfolio_public_bikes_and_cycle_hire_schemes14.pdf)

### 2.2.3 Redistribution of Bicycles

Demand characteristics typically result in an uneven distribution of bicycles in any scheme e.g. towards the bottom of a hill. The imbalance is location specific and can be influenced by time of day (e.g. commuter demand, topography, and one-off events). The fleet therefore needs to be continuously monitored and managed. Bicycles can be redistributed in one of three ways. Natural redistribution (where users leave bikes at their first-choice docking station), forced redistribution (where a user has to go to a different station to find a space), or motor-vehicle assisted redistribution where the scheme operator moves bikes between stations in a van. Bicycles are fitted with radio-frequency identification technology to enable operators to track their location, monitor the status of the bikes, and address any imbalance in distribution.

### 2.2.4 Maintenance of Bicycles

Good maintenance is essential to ensure safety of users and an efficient use of the fleet. Damaged bikes need to be removed swiftly from the fleet, repaired and then returned. Some systems identify faults if a bicycle is hired and re-docked within two minutes, three times in a row. There is usually a means of alerting the operator to a faulty bike (e.g. a button on the docking point) but it is not known how often these are used. Some users, on returning a faulty bike, turn the saddle 180 degrees so that other people do not also try to take the bike out.

### 2.2.5 Obstacles to Implementing a New Scheme

One of the outputs from the OBIS research programme 'European Transferability' included a section on the obstacles to implementing a bike-sharing scheme. The key obstacles and potential solutions listed include the following:

- *Cities with high bicycle ownership or high cycling modal share might have a low demand for bike sharing as most regular cyclists prefer to ride their own bike. This problem was obvious in Lower Austria and in Brussels. Their BSS were transformed in order to offer new services;*
- *Underestimation of demand might cause low availability of bicycles. To avoid this, BSS operators increase the number of stations and bicycles. The registration fee might also be increased, like in Barcelona, to control unexpected demand. Excess demand seems to be more common in the early phase of BSS located in large cities;*
- *BSS in tourist areas might compete with traditional bike rental. The Barcelona scheme does not offer daily or weekly registration, and provides information about available bike rental shops in order to avoid this conflict;*
- *Vandalism has been a significant issue for BSS in cities that didn't previously have a cycling culture, i.e. cities with low cycling ownership or low cycling modal share. Cities like Paris, Seville or Brescia reported a large number of stolen bicycles which led to high maintenance costs;*
- *Where there is intensive use of the BSS bicycles (e.g. around 5 rents per bike per day in Paris), breakdowns can occur. This can be detrimental to the scheme's image and, as the bicycle is out of service, the capacity of system decreases. To avoid this problem, operators have typically specified bicycles made of very durable components;*

- *When BSS stations are empty, users cannot rent a bicycle and when they are full, bicycles cannot be returned. In both cases users have to move on to the next station. This causes the user to waste time and, potentially, causes a loss of trust in the system. BSS operators address this problem by redistributing bicycles in order to restore the balance. The unequal distribution can be caused by two factors: topography and commuter patterns;*
- *Registration and rental fees are not enough to fund BSS. External revenues from advertising contracts or public authority subsidies are required. Short-term and insufficient funding compromise the viability of the BSS; and*
- *Public space is normally limited in city centres. Therefore a study of public space availability for fixed BSS stations is required before implementation. Footways and car-parking spaces might be occupied by BSS stations.*

### 3.1 Data Gathering

Meetings were held with representatives from each city council to gain an understanding of the amount of cycling that currently takes place. A brief site visit was also carried out on a typical working day during June 2011, which included a basic assessment of the current level of cycling activity e.g. the amount (and use) of cycle parking, and brief cycle counts (when the visit coincided with a peak period).

### 3.2 Cork

From the site visit (mid afternoon to evening peak), Cork appeared to have a high level of cycling, relative to the other cities. Public cycle-parking was provided and generally well used in many locations across the city centre, and there was a fairly constant presence of cyclists on the main streets (during the evening peak). Cyclists were seen on the carriageway mixing with general traffic but there was also some footway cycling, particularly in the contra-flow direction adjacent to multi-lane one-way streets (e.g. below right).

***Figure 1 - Cycle parking and contra-flow cycling on the footway in Cork***



A short cycle-count was carried out on Michael Collins Bridge for 15 minutes during the evening peak. This indicated a two-way hourly flow of 78 bikes, low by continental European standards (typically several hundred cyclists per hour) but higher than the other regional cities.

According to data provided in the Cork Cycle Study, average cycle flows (at 8 city-centre sites) decreased from 2.3% in 1992 to 1.0% in 1997 and 0.6% in 2002. This trend was explained by an improvement in economic conditions making car ownership easier for a greater percentage of the population, and an increase in traffic flows making cycling less safe. In a meeting with Cork City Council, it was commented that cycle flows were likely to have increased since 2002 and would now be between 0.5% and 1%.

### 3.3 Galway

A site visit was carried out to Galway in the early afternoon on a weekday. The initial impression of the level of cycling was similar to that of Cork as there was a presence of cyclists in the city centre (fewer than in Cork but the site visit was during the inter-peak when cycling levels drop considerably). Cycle parking was relatively plentiful and well used. Many bikes were also seen parked informally i.e. locked to various items of street furniture. As in Cork, cyclists were seen using the footway in the contra-flow direction adjacent to one-way streets highlighting the need for contra-flow facilities. The streets of Galway appeared to be particularly congested both in the city centre itself (below right) and also on the approaches, even in the inter-peak period.

**Figure 2 - Well-used cycle parking and congested streets in Galway city centre**



The mode share for cycle commuting at the time of the last census (2006) was 4% - above the national average of 3%. The Galway City and Environs Walking and Cycling Strategy 2010-2017 provides a breakdown of cycle-commuting mode shares in the different parts of the city. This shows that as many as 9% of all residents cycle to work (or education) from some districts (e.g. Salthill).

### 3.4 Limerick

A site visit to Limerick was carried out in the evening and morning peaks on consecutive weekdays. From the site visit, Limerick appeared to be a city with low levels of cycling. Very few people were seen cycling, and there did not appear to be much in the way of formal cycle parking although some bikes were locked to street furniture in the city centre (below left). A short cycle-count was carried out on Sarsfield Bridge in the evening peak indicating two-way hourly flows of 12 cyclists. A second survey in the following morning peak found no cyclists (although the survey was just 15 minutes long).



**Figure 3 - Bikes parked to street furniture in Limerick city centre (left), and a cyclist crossing the Sarsfield Bridge in the evening peak (right)**



The cycle-commuter mode share for Limerick was 3% at the time of the last census. This suggests a higher level of cycling than was seen in the site visit. It is possible that there are a small number of large employers away from the city centre (e.g. at University of Limerick) where relatively large numbers of people cycle to work.

### 3.5 Waterford

The Waterford site visit took place in the early afternoon. The city centre appeared to have fairly low levels of cycling although cycle movements were not observed during the peak hours. The main (Plunkett) rail station had some weather protected cycle parking but only one of ten spaces was occupied. There was some innovative, space-efficient cycle parking in the main retail area of the city centre with half of the 8 spaces occupied (below left), and bikes were also seen chained to trees in The Mall (below right).

**Figure 4 - Innovative weather-protected cycle parking (left) and bikes parked informally next to the heavily trafficked Mall (right)**



In our meeting with officers from Waterford City Council it was confirmed that cycle flows are generally low. The 2006 census found that just 2% of residents accessed employment or further education by bike.

This chapter sets out proposals for the locations of docking stations in each city – the ‘deployment area’. These proposals do not specifically include any new developments.

#### 4.1 Cork

Of the four regional cities covered in this study, Cork has the most in common with the major European cities where large scale bike-sharing schemes have already been successfully introduced.

In larger cities, a key aim is to ensure a high density of docking stations across the deployment area. Ideal densities are typically expressed as a number of docking stations per km<sup>2</sup> (8 in Paris) or a maximum distance between stations (typically around 300m). It is suggested that this approach is applied to the main part of the city centre (on the island between the two river channels), and that this part of the deployment area is bounded by the river channels (including the roads on the mainland side of the rivers). To the north of this area, the land rises steeply to between 50m-100m above sea level) – to the south, the land becomes more suburban and residential in character, and this is typically associated with lower demand for bike sharing.

It is suggested that the deployment area extends to the main station in the east and University College Cork (UCC) in the west. Research into the biggest bike-sharing feasibility study to date<sup>3</sup> has shown that, of all those who live in or visit the city, students were the most likely to say they would ‘definitely’ use a bike-sharing scheme. The largest European bike-sharing schemes such as Paris and London deliberately avoid trying to cater for the after-rail market as, in these cities, tens of thousands of people arrive by train every morning. However, rail is a minority mode for people arriving in Cork in the morning peak with a small number of services. It is recommended, therefore, that the train station is included within the deployment zone.

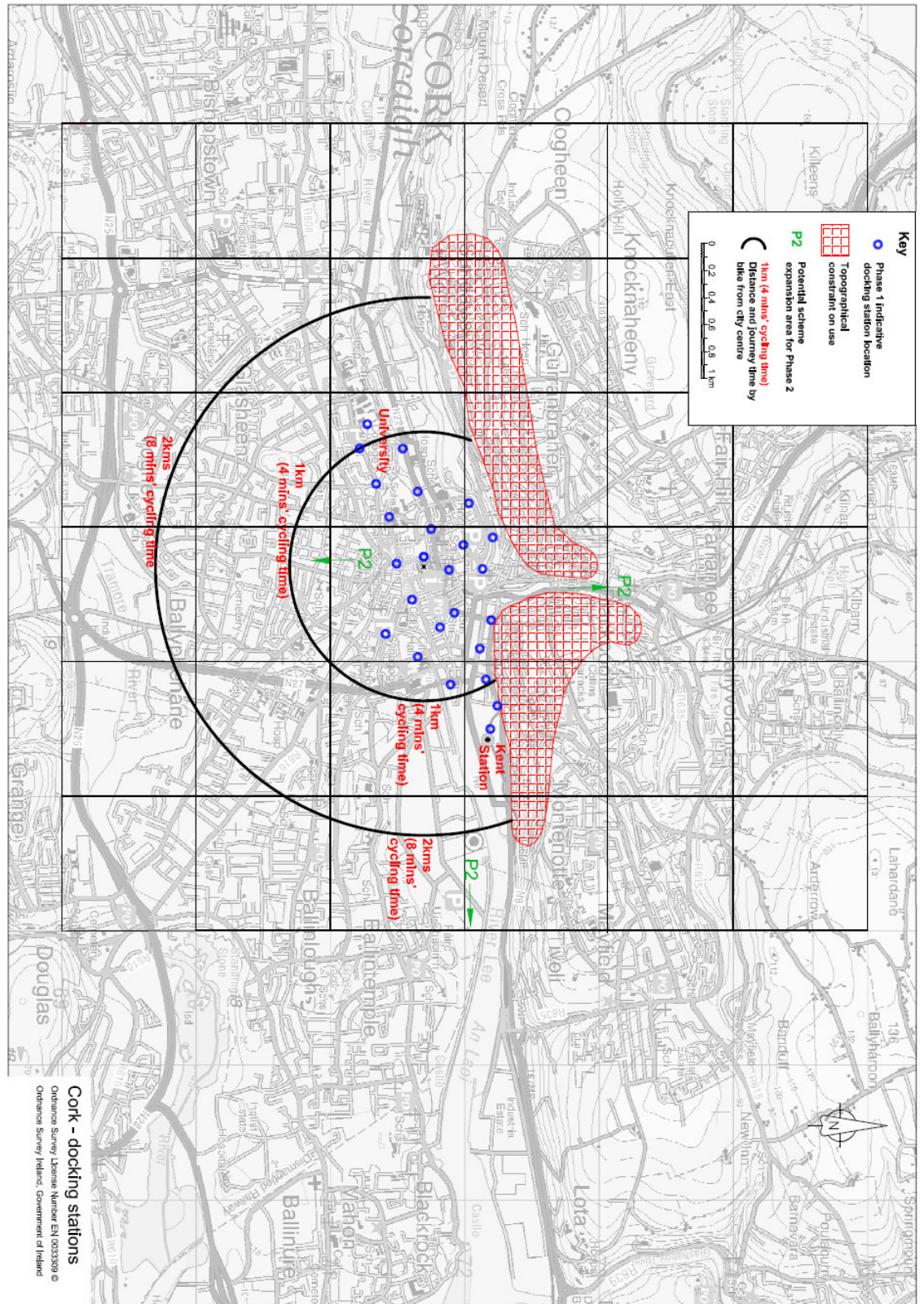
The inclusion of the UCC and the train station results in a linear shape for the deployment area. It is important that there are docking stations at regular and frequent intervals between these ends and the main island area, so that users have the confidence to know they can leave their bike at a nearby docking station if the closest one is full.

Figure 5 provides an outline of the deployment area for Phase 1 with indicative docking-station locations identified. For any Phase 2 expansion, new stations could be provided to the south if demand is thought to be sufficient. The deployment area could also be extended along the Southern Ring Road corridor - the only area to the north which is relatively flat (below the 30m contour and with gradients of no greater than around 3-5%). A third expansion could include the attractive and popular recreational cycling area to the east of the city on the southern bank of the River Lee on ‘The Marina’. This area, however, is not currently well connected to the city centre by a route which is likely to appeal to recreational cyclists.

<sup>3</sup> Feasibility study for a central London cycle-hire scheme (2008)



Figure 5 – Potential locations for docking stations in Cork





## 4.2 Galway

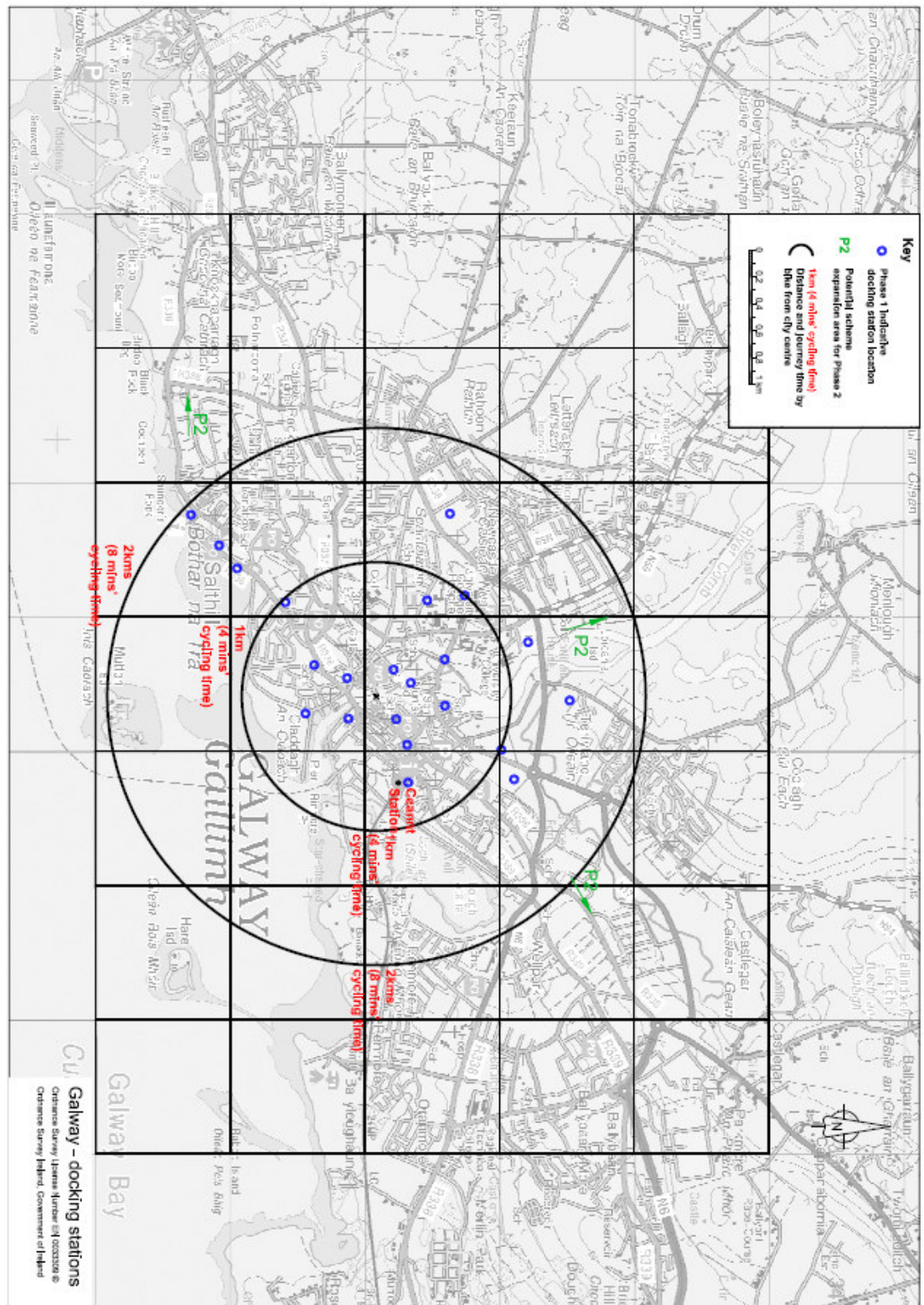
Galway City Council has plotted potential locations for bike-sharing docking stations on a map. There are 23 in total and they cover a large part of the city over an area of approximately 8km<sup>2</sup> with a maximum distance of around 5km between the ends of the deployment area. The density of docking stations is relatively uneven with around 5 per km<sup>2</sup> in some parts of the city and just 1 per km<sup>2</sup> in others e.g. Salthill. The problem with a low density of docking stations is that, if a user arrives on a bike and the docking station is full, they would have a long way to travel to find the next station, reducing confidence in the integrity of the system.

Galway is an attractive and relatively cycle-friendly city, with high levels of traffic congestion and high car-parking costs. It is, therefore, relatively well suited to a bike-sharing scheme. However, it is recommended that the first phase of the deployment area is reduced from the currently proposed 8km<sup>2</sup> to around 4km<sup>2</sup> but with as many docking stations as originally intended. This would increase the density of the docking stations from around 3/km<sup>2</sup> to 6/km<sup>2</sup>.

Further surveys and analysis would be required but, based on a desktop review, it would make sense not to include the proposed docking stations on the western side of the city (Salthill Road pier, Pearse Stadium), north east (the three in the Wellpark area), and perhaps the ones to the north of R338 and N6. A greater density would be recommended for the city centre (e.g. to the west of Eyre Square), with additional stations between the city centre and Salthill.

Figure 6 provides an outline of the deployment area for Phase 1, with indicative docking-station locations identified. A Phase 2 could involve adding any of the originally planned docking stations (in the more distant locations), and/or an intensification of the Phase 1 deployment area.

**Figure 6 – Potential locations for docking stations in Galway**



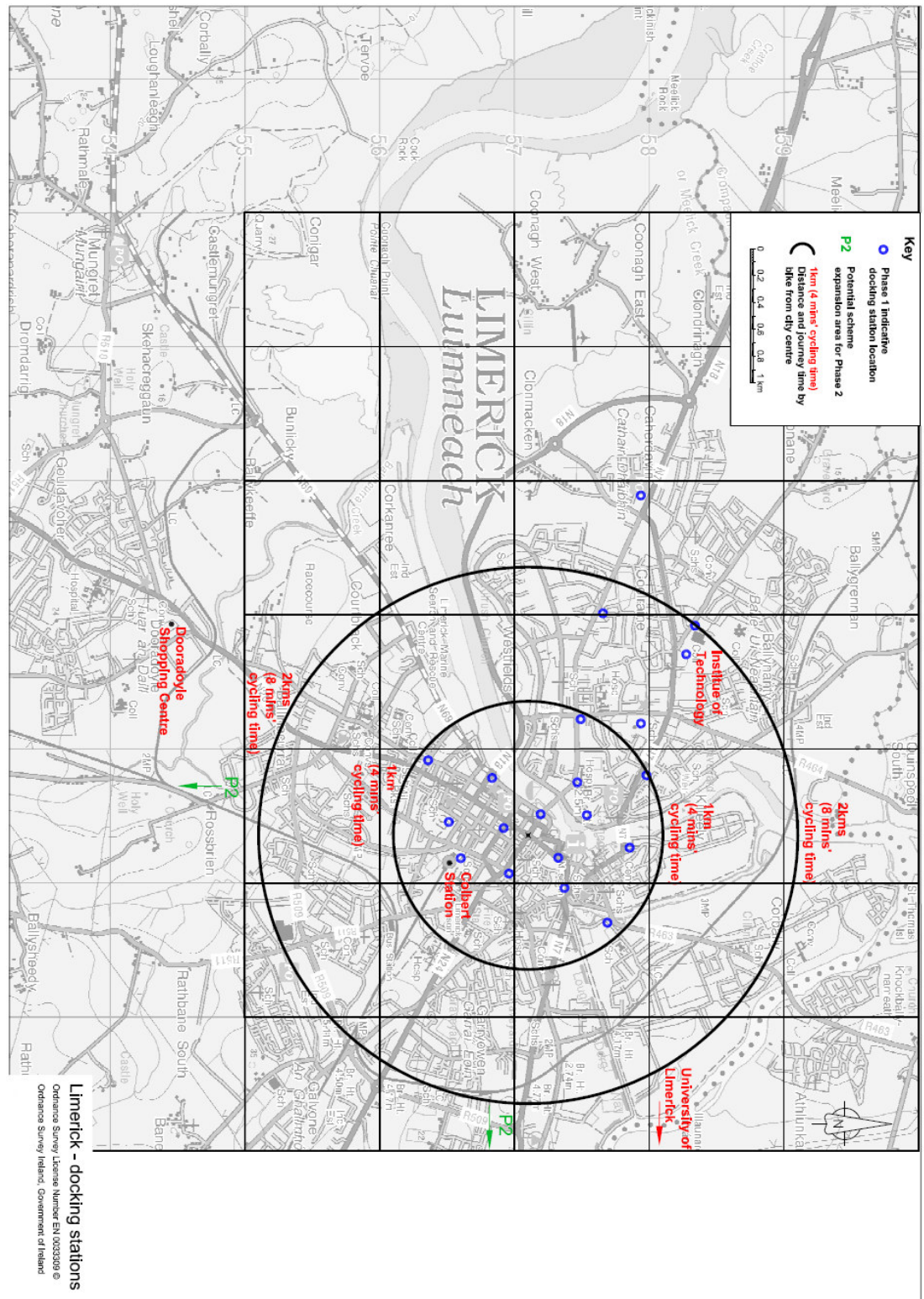
### 4.3 Limerick

Limerick City Council had not formally put together any proposals for docking station locations. A bike sharing scheme had been considered a few years ago but a decision was made to see how well the Dublin scheme was received. Recommendations are therefore based on discussions with the council, a site visit to the city, and general knowledge of bike-sharing systems. Limerick has a fairly clearly defined city-centre bounded by Colbert Station and People's Park to the south, the Rover Shannon to the west, and Thomond Bridge to the north. A relatively high density of docking stations would be needed in this area, in the order of one every 300m to 400m. Of the two main further education establishments in Limerick, only the Institute of Technology is within a sufficiently close distance of the city centre for it to be part of a bike sharing deployment area, at least in the short term. Pending future detailed survey work, it would appear that the deployment area for phase one would be a rotated and inverted 'L' shape from the city centre stretching out west towards the Institute of Technology, and also including the attractive recreational cycling destination of Shelbourne Park.

Figure 7 provides an outline of the Phase 1 deployment area, with indicative docking-station locations identified. If a scheme was implemented, and an expansion could be justified, the Phase 2 area could include the Dooradoyle shopping centre in the south-west of the city, and the University of Limerick. Jetland shopping centre would be borderline for inclusion in Phase 1, but would be an obvious destination to include in Phase 2.



**Figure 7 – Potential locations for docking stations in Limerick**



#### 4.4 Waterford

Waterford City Council plotted some potential locations for bike-hire docking stations in the city centre. These are clustered around a relatively small area (approximately 1km<sup>2</sup>) in the city centre. A bike sharing feasibility study<sup>4</sup>, cited as an example of best practice, suggests that 1km is the minimum realistic distance for a bike-share trip. Anything less than 1km could usually be walked more easily taking into account the time required to access and deposit a bike, and to walk between the docking station and the actual destination or starting point.

In other schemes such as Dublin and Barcelona, typical journey durations are 13 to 15 minutes, a distance of around 3kms. Waterford is a relatively compact city, and most of the obvious city-centre destinations would be covered by the council's proposed scheme. However, to make a scheme worthwhile, the operating area would need to stretch away from the city centre. The most obvious destination is the Waterford Institute of Technology (WIT) which is about 2.5kms from the city centre. Bike sharing schemes usually work best when they are in a compact area with a high density of docking stations, so it is uncertain whether a scheme that includes a 2.5km spine out to the WIT would be as feasible. There would need to still be a relatively short distance between stations so that users would know they can travel to the next one if the closest is full.

Based on a desktop review, a route (and distribution of docking stations) which follows Tycor Road and Browns Road appears preferable. This would also service the main student residential area of Lismore Park. A first phase of the scheme could potentially just focus on the city centre and the train station although research would be needed to help determine whether the demand for short journeys in this area could justify a scheme's implementation.

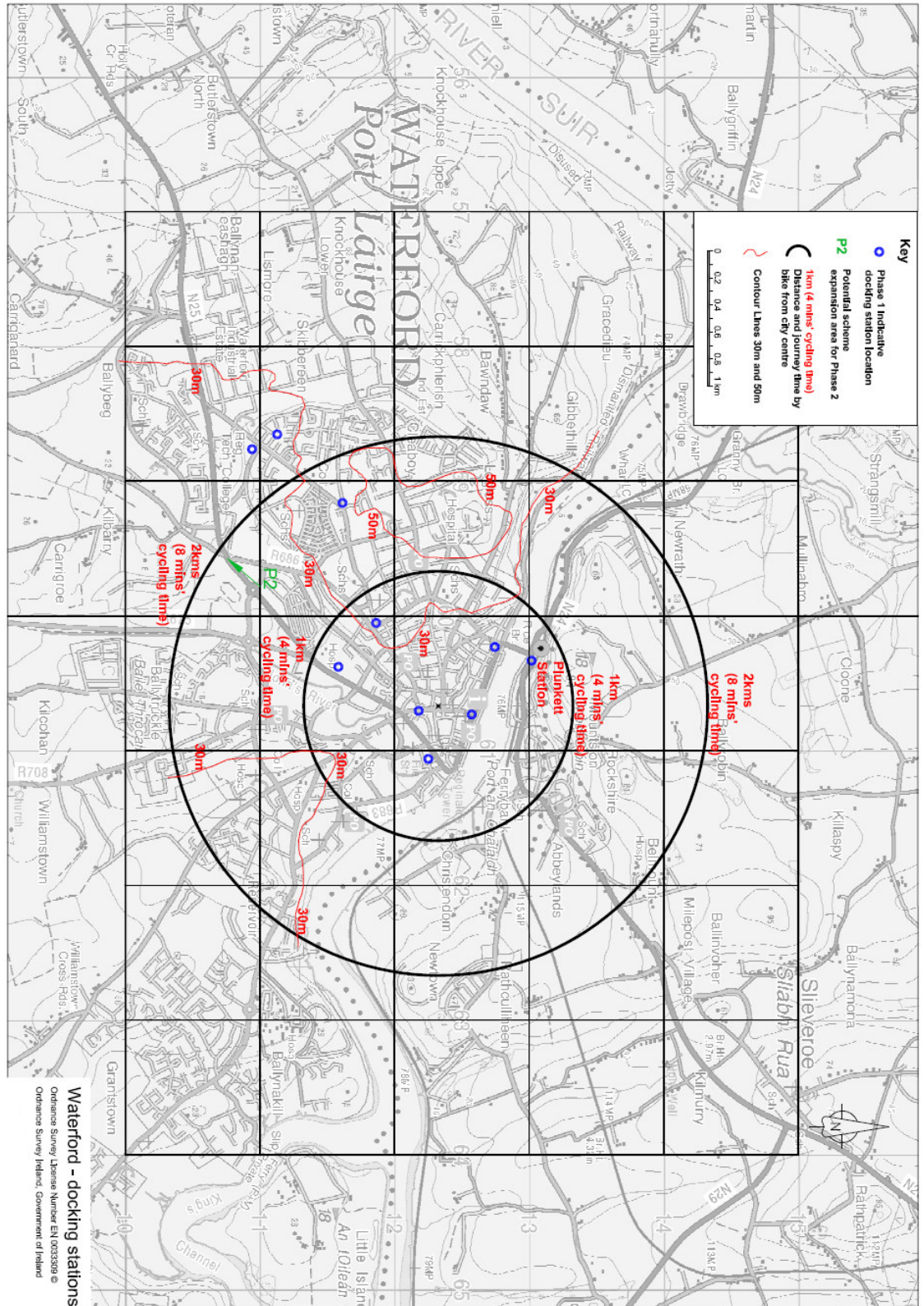
The topography in Waterford is likely to exert a stronger influence on the success of a bike sharing scheme than in the other cities (with the exception of the north side of Cork). The land rises steeply to 30m on the western side of the city centre with gradients (5% to 10%) which are likely to be too steep for a typical 23kg hire bike. Extending the deployment area to the top of hills would also lead to the obvious redistribution difficulties. However, much of Waterford is flat or has gentle gradients so the topography should not preclude a scheme from being introduced but would have to be taken carefully in to account in the planning stages.

Figure 8 provides an outline of the Phase 1 deployment area, with indicative docking station locations. A phase 2 expansion could involve intensification of the Phase 1 scheme, or perhaps an extension towards the south west of the city where the topography is most cycle friendly.

<sup>4</sup> Feasibility study for a central London cycle hire scheme (TfL, 2008)



Figure 8 – Potential locations for docking stations in Waterford



### 5.1 General Issues

The recent increase in popularity of bike sharing schemes, internationally, has been rapid – it has been claimed that such schemes represent the fastest growing mode of transport on the planet. The success of the Dublin scheme also shows that there are no specific cultural or climatic obstacles to prevent schemes from working in Ireland.

Many, if not most, of the early schemes were implemented with very little prior research but, over time, lessons have been learned about the factors which influence their success. However, most of the focus has been on schemes in cities with large populations (from 500,000 up to several million).

The evidence base for schemes in smaller cities and large towns remains insubstantial. A report<sup>5</sup> produced as part of the European OBIS research programme notes “the development of bike-sharing schemes in ‘smaller’ cities will depend on the success of existing BSS which, unlike schemes in large cities, is not proven at present.” In providing an indication of the potential usage for schemes, as wide a range of factors as possible have been considered, drawing on both existing literature and site observations.

### 5.2 Specific Factors

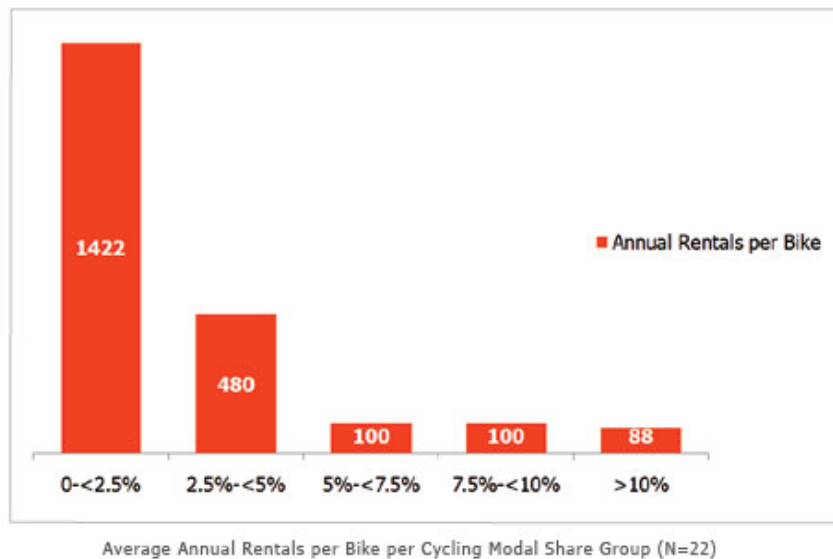
In simple terms, the decision to use a bike-sharing scheme for a typical journey will depend on; a) how easy, quick and cheap it is to make the journey by bike, and b) how difficult, slow and expensive it is to make the same trip by alternative means (public transport, car or on foot). If it is quick, easy and attractive for a large number of people to make the journey by bike, and slow, unpleasant and expensive by other means, the bike-share scheme will attract high levels of use. Each of the factors were examined, generally, before applying them to the four regional cities.

#### 5.2.1 Current Cycling Levels

Research suggests that bike-sharing schemes are more successful in cities where, before the scheme’s implementation, levels of cycling were low. This can be seen in the graph below (source OBIS handbook). A reason for scheme failure in some cities has been that most people already own bikes thereby restricting the uptake of the scheme to tourists.

<sup>5</sup> Bike sharing in ten European countries – France (2009)

**Figure 9 – The relationship between cycling mode share and the demand for a bike-sharing scheme**



### 5.2.2 Cycle-Friendly Road & Path Networks

Intuitively, a scheme would be more successful where there is a comprehensive network of cycle-friendly routes. This is not restricted to designated cycle routes but relates to how attractive/safe/navigable etc the whole of the deployment area is for cycling. An example of a cycle-friendly improvement on a city-wide scale is the legislation which permitted two-way cycling in all one-way streets with a 30kmh limit which was passed in France in 2010. As a result, the road network of Paris became a lot more navigable and permeable by bike, with no reported direct increase in casualties. The worst environment for cycling would include dual carriageways, high speed roads (with limits and/or speeds above 50kmh), gyratories and large roundabouts. The traffic mix also influences the environment – high flows of HGVs present a particular hazard to cycle traffic.

### 5.2.3 General Traffic Congestion & Public Transport Overcrowding

Poor conditions affecting motorised transport such as congested streets and overcrowded buses and trains make alternatives such as cycling a lot more attractive. Monitoring of the large bike-sharing schemes in places like Montreal and London has shown that the main mode switch comes from public transport. Conversely, if streets area not heavily congested, and public transport is attractive and reliable, there is less incentive to switch to the bike.

### 5.2.4 Cost & Availability of Car Parking, & Car/Cycle Ownership

Bike sharing schemes are likely to have more appeal where car parking is relatively expensive and in short supply or difficult to access. Similarly, if car and cycle ownership is high, this will also detract from the appeal of a bike-sharing scheme. High car ownership, low levels of congestion and cheap car parking would give residents little incentive to use a bike-sharing scheme.



### 5.2.5 City Size

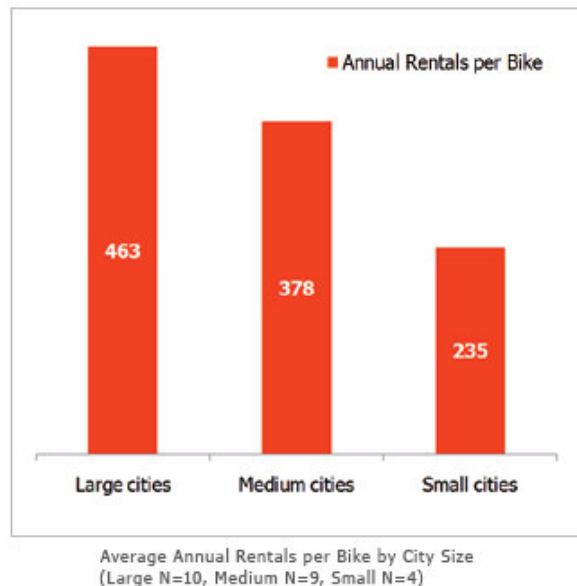
The following reasons for the popularity of bike-sharing schemes in larger cities are taken from the OBIS handbook.

‘In general, mobility demand is higher in big cities, because of the higher population and employment density. Therefore, schemes in large cities often offer higher station density, easy-to-use, high-tech schemes, and a higher density of destinations, which influences the number of rentals in a positive way. Additionally, bigger cities often have more problems with congestion and limited parking space, which makes cycling more competitive with the car in terms of speed and flexibility on distances up to five – seven km and therefore attractive for daily usage. In some cities, where public transport is crowded, BSSs provides an alternative mode of transport.’

In addition, research into some of the world’s largest bike-sharing schemes such as Montreal and London has shown that the main mode switch comes from public transport – the appeal of a bike-sharing journey may therefore be greater when the alternative is a bus or Metro journey.

The graph below, taken from the OBIS bike sharing handbook, shows how, among the sample of schemes included, the number of rents per bicycle is much higher in larger cities (note that large cities are defined as having a population of over 500,000, and small cities have under 100,000).

**Figure 10 – The relationship between city size and the demand for a bike-sharing scheme**



### 5.2.6 Size & Distribution of Student Population

Research carried out during the planning for the London scheme found that, among all resident and visitor groups, students were most likely to use the scheme. This could be due to any number of reasons including the appeal of a virtually free mode of transport, the difficulty of storing a private bike in student accommodation, and concerns about bike theft. The take-up rate by students will obviously be determined

by how well the distribution of docking stations links up with journey origin and destinations. It is unlikely, however, that any initial system would be able to cater for a student campus that was several kilometres from the city centre due to the need for a relatively dense distribution of docking stations within each deployment area.

### **5.2.7 Passengers Arriving/Leaving by Train in the peak**

Large European bike-sharing schemes such as Paris and London deliberately avoided attempting to cater for the 'after-rail' market by keeping docking stations away from train stations. This was due to the number of people who arrived by train in the morning peak (tens of thousands), the difficulty of providing enough bikes and docking stations for the demand, and the fact that the bikes would only be used twice a day (to and from the station) as most people do not work in areas where tourists are likely to pass. In the Irish regional cities, the number of people arriving by train is much less so the deployment area could therefore include train stations, and provide a very useful means of travelling between them and the city centre.

### **5.2.8 Density of Area & Distribution of Trip Attractors**

Feasibility research for the London scheme concluded that the ideal distance for a bike-sharing scheme trip was between 1 and 8kms. Anything less and walking becomes more convenient – anything longer and public transport is quicker. In practice, 8kms would be a long journey on a typical (23kg) scheme bike - most trips tend to fall in the 13 to 17 minute range (around 4kms). A range of 1 to 5kms is probably more appropriate. Cities with key attractors that are between 1 and 5kms apart are, therefore, more likely to attract higher levels of bike-sharing use.

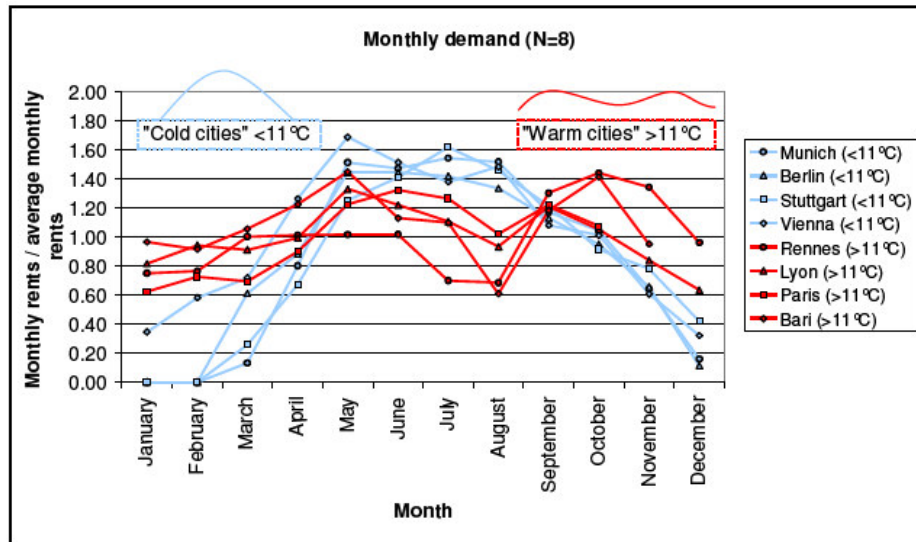
### **5.2.9 Topography**

Topography has two key implications for the success of a bike sharing scheme. The first relates to demand. Hilliness has been found, repeatedly, to be the key determinant of the amount of utility cycling that takes place in an urban area with much higher amounts of cycling in flat cities. Hilly cities also present logistical problems for the redistribution of bikes. The Barcelona scheme is on a much smaller scale to the Paris scheme but requires an equal resource to redistribute bikes due to its topography (a long gradient from the beach up to the main part of the city).

### **5.2.10 Climate**

The cities that participated in the OBIS research project were categorised into 'warm' and 'cold' categories according to whether their annual temperature was above or below 11 degrees. 'Warm' cities such as Lyon and Bari generally experience demand peaks in the spring and autumn – as it can be too hot to cycle in the middle of the summer and too cold in the winter. 'Cold' cities tend to have a more straightforward demand profile with higher flows in the summer months and lower flows in the winter months. There were no obvious examples of places with climates similar to Ireland i.e. relatively mild and wet, with a more pronounced difference in daylight hours between winter and summer.

**Figure 11 – The seasonal demand-profile for bike-sharing schemes in warm and cold cities**



### 5.2.11 Tourists & Other Visitors Without Access to Bikes

Bike-sharing schemes are often particularly attractive to tourists seeking a novel way of taking in the sights – the Parisian scheme is promoted by the phrase “La Ville est plus belle à vélo” (‘the city is more beautiful by bike’). Schemes need to be set up to enable casual use (rather than long term membership) – in the London scheme it was nearly six months before this functionality was enabled. The number of tourists that a city attracts (especially those who do not arrive by car) the greater the demand is likely to be for a bike sharing scheme. Similarly, cities attracting a large number of other visitors (commuters, people visiting friends and relatives etc), may also expect higher levels of use, especially if many do not arrive by car.

### 5.3 Basis for Demand Predictions

To predict demand accurately for a bike sharing scheme, market research would need to be carried out among different groups of people in each city (students, residents, tourists etc). However, high-level, approximate estimates have been produced based on the demand in the European schemes featured in the OBIS research programme.

The focus has been on schemes in smaller cities (with populations of under 150,000) as these are more likely to reflect the characteristics of the Irish regional cities. Estimates are based on median averages – for example if there are nine cities in the research category, the figures for the fifth city were used, as this enables us to look at conditions in a typical city, rather than basing the estimates on the mean which would be distorted by disproportionate schemes. An allowance was then made for the factors described above. If it was felt there were more factors which would increase the demand for a bike-sharing scheme, predictions were increased above the typical/median figure. If it was thought that there were more that would decrease the demand, lower figures were produced.

In all the cities featured in the OBIS research with populations up to 150,000, the median ratio of scheme bikes to population size was 1:500. Therefore, in a city with 50,000 people, 100 bikes would be recommended (with an increase or decrease according to the pre-discussed demand factors). The median ratio of scheme members to population in the smaller city schemes was 1:67. A city with 67,000 people might therefore expect to have 1,000 members. The ratio of docking points to bikes is generally between 1.2 and 1.7. Given the uncertain nature of bike-sharing schemes in small cities, 1.7 spaces per bike is recommended to increase the chances of there being enough capacity for people to park bikes at their first choice of docking station.

The amount of docking stations in a scheme's deployment area can be expressed as a figure per square kilometre or as the average linear spacing between each station. The Transport for London (TfL) feasibility study recommended a density of 8 docking stations per km<sup>2</sup> based on the Parisian scheme. Large-scale systems such as the ones in Barcelona, London and Paris offer stations which are usually not more than 300m apart – a relatively comfortable walking distance.

The amount of use that a bike sharing scheme receives can be expressed in a number of ways. The most useful measure is the number of trips per day. This figure ranges from around 5,000 in Dublin and 20,000 in London to over 100,000 in Paris. The number of rents per bike is another way of assessing use although this can often simply reflect the accuracy of the pre-scheme demand predictions. In schemes which underestimate demand and provide relatively few bikes (e.g. Barcelona) rents per bike are typically very high (9 to 15 per day). In schemes which overestimate the demand (e.g. London) rents per bike are lower, approximately 3 or 4 per day.

## **5.4 Demand Predictions by City**

### **5.4.1 Cork**

- *Cork has a population of 150,000 (including students). A typical city of this size would have a bike-sharing fleet of approximately 300 bikes with 2,250 registered members;*
- *The assessment of Cork is that demand would be close to average for a European scheme, so a bike fleet of 265 to 335 is recommended. There are problems with permeability in the city centre with lots of multi-lane one way streets making cycling inconvenient and more hazardous. However it is considered that these issues are out-weighed by, a combination of factors, which make cycling an appealing mode for short, local journeys, including cycle-friendly topography and both considerable congestion and high parking charges;*
- *It is estimated that each bike will get used an average of 3 times per day. This is more than our estimate for the smaller cities but not as high as the schemes in the major European cities of Paris, London, Barcelona etc where bikes are typically used from 6 to 15 times per day; and*
- *It is suggested that something in the region of 25 docking stations are provided. The recommended ratio of docking points to bikes is 1.7. This gives 510 docking points. Over 25 stations there would be an average of 20 bikes per docking station.*

#### **5.4.2 Galway**

- *Galway has a population of approximately 100,000 including 25,000 students. A typical city of this size would have a fleet of 200 bikes, and around 1500 registered members;*
- *The assessment of Galway is that it is generally well suited to a bike sharing scheme. It clearly attracts a large number of tourists, the topography is either flat or quite gentle, there is a significant level of congestion in the city (even during the inter-peak), and car parking is relatively expensive, and time-consuming to access. Although the one-way streets and pedestrianised areas make it awkward to navigate by bike, there are not many high-speed, multi lane sections are found in some of the other cities. The existing network, therefore, mainly poses a navigational, rather than safety, challenge to cyclists. It is considered that a Galway scheme would therefore attract an above-average number of users a fleet of 200 to 250 bikes;*
- *It is estimated that each bike will get used an average of 2 times per day. This is below Cork (as it is a considerably smaller city and therefore intrinsically less suited to bike sharing) but higher than Waterford and Limerick; and*
- *It is suggested that somewhere in the region of 23 docking stations. The recommended ratio of docking points to bikes is 1.7. This gives 380 docking points. Over 23 stations there would be 15-20 docking points per station.*

#### **5.4.3 Limerick**

- *Limerick has a population of 100,000 including 20,000 students. A typical city of this size would have a fleet of 200 bikes, and around 1500 registered members;*
- *The assessment of Limerick found that it is a relatively flat city with a dense city centre. However, the road network has a large number of multi-lane, one-way systems making it often difficult and unpleasant to travel by bike. There is also relatively little congestion, and it is comparatively easy and cheap to park a car in the city centre. A smaller scheme than average for a city of Limerick's size is therefore recommended with approximately 150 bikes;*
- *It is estimated that each bike would be used an average of 1.5 times per day – less than Cork and Galway, reflecting the city's lower expected demand for such a scheme; and*
- *It is suggested that approximately 20 docking stations are provided with 10-15 docking points per station, making a total of around 255 docking points.*

#### **5.4.4 Waterford**

- *Waterford has a population of 60,000 including approximately 14,000 students. A typical city of this size would have a fleet of 120 bikes, and around 900 registered users;*
- *Waterford was considered to be a mixed city in terms of its current suitability to utility cycling. There are some flat areas, and some attractive routes but the main road through (with its very high proportion of HGVs) would deter many people from making local trips by bike. The lack of congestion and the relative low cost and high supply of car parking also make cycling less of an obvious choice. It is therefore suggested that, given current conditions, the demand for a bike sharing scheme is likely to be lower than average for a city of Waterford's size. A scheme of 80-100 bikes is therefore recommended;*
- *It is estimated that each bike would get used an average of 1.5 times per day – less than Cork and Galway reflecting the city's lower expected demand for such a scheme; and*

- It is suggested that approximately 10 docking stations with an average of 15 docking points per station (a total of 150 docking points) is provided.

**Table 5-A Summary of recommendations and estimates for schemes in each of the cities**

	Cork	Galway	Limerick	Waterford
Recommended number of bikes	265-235	200-250	135-165	80-100
Recommended number of docking stations (and docking points)	25 (510)	23 (380)	20 (255)	10 (150)
Average number of docking points per station	20	15-20	10-15	15
Estimated number of subscribers	2250	1500	1500	900
Estimated daily rents per bike	3	2	1.5	1.5

### **6.1 Background**

There has been an exponential growth in the number of bike-sharing schemes in Europe (and further afield) over the last five years. This has resulted in a considerable improvement in the quality of schemes (in terms of the bikes and the docking stations), the operating systems, and the reduction in theft and vandalism. A clear example is provided by the Paris and London schemes, implemented three years apart. The Parisien scheme issues users with their own lock so they could park a bike away from a docking station e.g. outside a shop. These parked bikes have been very easy to steal by thieves as the locks are easy to break. The London scheme did not provide locks. Users could, therefore, only leave their bikes in a docking station, and these have proved to be 100% secure. As a result, whereas tens of thousands of bikes have been stolen in Paris, fewer than ten have gone missing in London. It has also been observed that theft and vandalism has been extremely low in the Dublin scheme. The following recommendations are taken from the OBIS handbook, which has brought together international best practice, published in June 2011.

### **6.2 Bicycles**

The bicycles used in a bike-sharing scheme should have the following qualities:

- *A unisex design with an adjustable saddle usually so that people over 1.5m tall can use them;*
- *Hub brakes and hub gears – these components are user friendly and low maintenance. Some schemes have opted for 7-speed bikes but most are 3 speed. 3-speed bikes are recommended as they are cheaper, and likely to be easier to maintain, and discourage users from cycling at high speeds;*
- *Mudguards and chain-guards – these enable people to use the bikes in normal clothes including office wear without the need for cycle clips or any specialist equipment;*
- *Front rack/basket – many scheme bikes have baskets but it has been found that these tend to attract litter. A front rack, as used in the London scheme, appears to be an effective solution; and*
- *Dynamo lights which are always on when the bike is in use (and stay on for 90 seconds when stationary as a safety precaution for stopping at signals etc).*

The OBIS manual offers the following advice regarding the cost of bikes:

*“The lifespan, quality and costs of the bikes as well as maintenance costs have to be considered when wanting to choose one or another type of bike. Big operators usually use one type of bike at all of their sites to realise economies of scale. Most of the BSSs tend to have bikes with up to three gears and without suspension; only some offer up to seven gears and suspension. However, experience shows that many operators of BSSs with a high number of bikes and a high usage rate per day/bike tend to choose less costly bikes for their systems at the beginning. As a result, broken frames or handlebars occurred; in some BSSs, most of the bikes had to be replaced. At the end of the day, the choice of bikes and parts is a trade-off between purchase costs and maintenance costs over the lifespan of the bikes. Bikes of better quality and with easy maintenance processes might be more expensive at the beginning, but their longer lifespan will pay off in the long term.”*



### 6.3 Docking Stations

Earlier bike-sharing schemes often used locks to secure bikes at docking stations. However, the current generation of docking stations has a number of docking *points* per station with a rental terminal. The rental process takes place at the terminal or the docking point itself which can include a touch-screen display, card reader, printer and keyboard.

The implementation of docking stations can be a time consuming and complicated process. A recent innovation from a scheme in Berlin involves the use of 'concrete cuboid' docking stations with solar power. These require no ground work and, with the solar panels, no connection to the mains (see the figure below). They enable docking stations to be installed in just two hours rather than two weeks, saving a considerable amount of time and money.

**Figure 12** *The disruption caused by conventional docking station implementation (left) and a potential low impact, low cost, solar-powered, concrete alternative (right)*



It is recommended that this option is considered for any schemes in the regional cities. The main disadvantage is likely to be their physical appearance. Docking points which use keys, rather than cards, are considered to be more durable.

Low-tech schemes have been used in some locations. These generally require no elaborate groundwork, cabling or communications technology. They are less expensive to install but provide no monitoring opportunities. Also, running costs can be higher due to limited monitoring opportunities.



## **6.4 Booking & Payment Arrangements**

There are fundamentally two types of booking arrangement in modern bike sharing schemes. Subscription-based arrangements require users to register with the scheme usually via the internet or by phone. Subscribers are offered a number of different options such as daily, three-day, weekly or annual membership. The second option is for casual users who can access the bikes without the need for a key. Some cities do not allow casual use, such as Dublin and Barcelona. This can be in order to control the total number of scheme users, or to avoid abstracting tourist demand from using conventional cycle hire operations.

In the regional cities, demand is likely to be relatively low so it is recommended that any schemes are opened to casual users. In order to minimise the impact on conventional cycle hire operations, the pricing structure could rise rapidly after the free first 30 minutes as it does in Paris in London. The cost increases from £1 to £4 after 1 hour in London but from just 0.50 to 1.50 Euros after the first hour in Dublin).

The OBIS handbook recommends that registration/subscription is fast and convenient, and only includes the information that is necessary for the operator-customer relationship. The costs for subscription are substantially lower than public transport ranging between 30 and 50 Euros for most schemes. Some schemes require a deposit from a credit card which prevents theft and vandalism but does stop some potential customers from using the bikes.

## **6.5 Stand Locations**

The OBIS handbook advises that a detailed municipal plan should be used to help determine station locations. This would include the size of available spaces, traffic and safety aspects, expected demand, monument conservation, ownership structure, and relevant surface and cabling conditions.

Experience from the Barclays cycle hire showed that it had been very important to design a scheme which was distinctive and recognizable, yet fitted into the varied urban setting around the city, particularly in conservation areas. Reducing street clutter as far as possible was a key priority, so the terminal design incorporated parking signage where necessary, and also served a dual purpose by providing two faces for Legible London mapping, the pedestrian way finding system that is being rolled out in central London. Anecdotally, it would seem that the Dublin scheme has been similarly well designed although there were no specific comments about in the OBIS handbook.

Safety audits will be needed to ensure that users can access and leave the docking stations safely either on foot or by bike.

## 7 Estimated Installation & Operation Costs

In order to establish the outline capital and operating costs, a number of assumptions were made on the basis of available information. Data was gathered for two major European cities where bike sharing schemes have been successfully implemented. The publicly available data is included in Table A1, which can be found within Appendix A.

Specific cost information is treated as extremely sensitive by existing operating companies, and therefore it has proven difficult to obtain accurate figures. However, as the costs are intended to provide an order of magnitude for a high level feasibility review, it is considered that they provide a reasonable level of accuracy. In order to have a more robust financial assessment of the implementation and operational costs, these assumptions and figures will be investigated further at the next stage of the project.

Tables 7-A and 7-B provides the anticipated capital costs associated with the set up and operation of the schemes in each of the cities, over a typical 15 year period. In addition, a control room would also be required. The cost associated with the control room, included within the tables, is expected to encompass the running of all four schemes assuming that they progress as one contract. Should a lower number of schemes progress there would be a marginal decrease in the cost of the control centre. Conversely should the schemes be taken forward on an individual basis the cost for a control room would be required for scheme, located within each city.

All figures are present day values (2011) and in millions of Euros. These figures are therefore undiscounted and do not take account of inflation.

**Table 7-A Outline Capital Costs**

Total Estimated Capital Costs (Real - €m)				
	Year 1	Year 6	Year 11	Total
Cork	1.83	0.13	0.13	2.09
Limerick	1.26	0.06	0.06	1.38
Galway	1.55	0.06	0.06	1.68
Waterford	0.70	0.06	0.06	0.83
One overall control room	0.21	0.03	0.13	0.37
Total	5.55	0.35	0.45	6.35

Table 7-A indicates an expected overall capital cost of approximately €6.35m with the bulk of the spend required within the first year of delivery. These figures aim to take cognisance of the following elements:-

- Planning and Assessment;
- Docking stations;
- Bikes;
- Purchase of maintenance vehicles;
- Control room fit out; and
- Monitoring equipment.

**Table 7-B Outline Operating Costs**

<b>Total Estimated Operating Costs (Real - €m)</b>			
	Cost per Year		Total Over 15 years
	Year 1	Years 2 through 15	
Cork	-	0.52	7.24
Limerick	-	0.27	3.80
Galway	-	0.27	3.83
Waterford	-	0.27	3.78
One overall Control Room	-	0.32	4.51
Total	-	1.65	23.16

The operating cost within Table 7-B, at approximately €23million, would be spread evenly over the assumed contract period of 14 years following the 1 year set up period. No operation costs would be incurred within year 1 during the scheme set up. The operating cost includes the following elements:-

- Staff costs;
- Premises;
- Vehicle maintenance;
- Bike replacement; and
- Materials.

### 8.1 Summary

This feasibility study has involved an assessment of current best-practice in the bike sharing world, and a specific focus on the four regional cities of Cork, Galway, Limerick and Waterford. A good understanding has been gained of the potential for bike-sharing schemes to succeed in each of the four cities. Although each city shows considerable differences in terms of the factors which influence the potential take-up of a scheme, there are a number of similarities which apply to all four.

The cities' climates are similar i.e. relatively mild and wet compared with the continental European cities where most schemes have been implemented. Research has shown that bike-sharing schemes are particularly sensitive to variations in weather on both a daily, and a seasonal, basis. Most of the European cities experience a drop in demand over the winter period. The cooler ones have a peak in the summer, and the warmer ones have a decrease as it becomes uncomfortably warm to travel by bike. The profile for the Irish schemes is likely to be similar to the cooler European cities with a decrease in the winter, and a peak over the summer. There will be marked daily fluctuations linked to heavy rain, and this could affect both overall demand and present logistical problems for the redistribution of bikes.

The current levels of cycling are relatively low in each of the four cities compared with those in continental European countries. This has proved to be a positive factor in the success of bike-sharing schemes in countries such as France and Spain where there is much less of a cycling culture than in the northern European countries of Germany, Denmark and the Netherlands (where demand for bike-sharing schemes has been much lower). The reasons for this are obvious as most people already have bikes, and both residential properties and main trip attractors are designed to accommodate cycle parking. It is also likely that levels of cycle *ownership* are similarly low across the four cities – another factor which increases the potential for bike sharing to succeed.

Other similarities between the cities include topography. Hilliness presents a particular challenge to bike-sharing schemes as it can both suppress demand, and cause logistical problems for bike redistribution. Hilly cities such as Barcelona have had to spend a lot more money on addressing the challenges of redistribution than flatter places like London and Paris. The topography in most parts of the regional cities is relatively cycle friendly. Large parts of the cities are within a vertical height difference of 30m and gradients are quite gentle (under 5%). The exceptions are the northern side of Cork, and the south west of Waterford.

Each of the cities has large student populations, and research has shown that students are the most likely group to use bike-sharing schemes.

Other bike sharing demand-related aspects of the cities differ considerably. These include what could be termed the transport 'climate'. The propensity for people to use a bike-sharing scheme depends fundamentally on how expensive, slow and inconvenient it currently is to travel by alternative means, and how attractive, convenient and quick it would be to travel by bike. In each of the cities, it appears that the car is the dominant mode of transport for most trips. However, in two of the cities (Galway and Cork), the streets appear to be considerably more congested, and car-parking more expensive which would provide a good incentive to use a bike-sharing scheme. Conversely, in Limerick and Waterford, there is relatively little congestion, and car parking is considered low and in good supply, so the incentive to switch to bike share would be reduced.

The cities also vary in how suitable they currently are for local cycle trips. Galway appears to be the best suited due to a lack of multi-lane, high-speed roads and hazardous junctions, whereas Limerick and Cork have a more intimidating network. Dedicated cycling facilities in all cities are relatively few although this does not tend to be a strongly limiting factor in the success of the schemes. The road network in Waterford is relatively well suited to cycling but the main problem is the very high flow of HGVs on the main road through the city centre. However, this is likely to be addressed by new traffic management schemes due to be implemented in the next 12 months.

Bike-sharing schemes typically act as a catalyst or a 'shot in the arm' to the local cycling culture usually resulting in an overnight increase in the visible presence of cyclists on a city's streets. Cork and Galway are currently the cities with the highest levels of cycling. It would appear that Galway is the most cycle friendly but Cork has more of the big-city characteristics (density of trip attractors, congestion, parking problems etc) that help to make bike-sharing schemes a success. However, a bike sharing scheme in Limerick and Waterford would perhaps have the biggest impact on the local transport mix as levels of cycling are currently low in these cities.

The relatively small population sizes suggest that none of the cities would attract the large number (or percentage) of cycle trips that the schemes in major European cities have achieved. Whereas appropriate-size schemes in large cities can see bikes being used 5 to 15 times per day, schemes in the Irish regional cities would be likely to attract perhaps around 1 to 3 trips per day (judging by comparisons with schemes in other smaller cities). The Dublin scheme bikes are used approximately 9 times per day. This is likely to be considerably higher than schemes in the regional cities because a) the number of bikes in Dublin was small for such a large city and b) as a large, congested city, there is likely to be an intrinsically higher demand for bike sharing. However, new technology means that smaller schemes are becoming more viable as costs begin to fall. The most promising recent development relates to solar-powered, concrete docking stations that require no ground work or electricity connections, slashing installation and running costs. Schemes in smaller cities that were not viable one or two years ago may now have become viable as a result.

It is worth noting that, although much research has been carried out into schemes in large cities (e.g. Barcelona, Paris, and London), the success of bike-sharing schemes in smaller cities has yet to be proven (as noted in the OBIS research programme). The recommendations for docking station density (e.g. 8 per km<sup>2</sup>) and frequency (one every 300m) are based on the schemes with thousands of bikes covering tens of square kilometres. It is possible that the demand for schemes in smaller cities may not justify such a density/frequency of docking station, and that their location may be determined by specific trip attractors such as retail centres and train stations. The temptation to spread docking stations out too thinly must also be

avoided, however, as this increases the inconvenience and delay in having to use the second nearest station if the immediate one is empty or full.

The total capital cost (docking stations, bikes, assessments, maintenance vehicles, control room fit-out and monitoring equipment) in the four cities is an estimated €6.4 million over 15 years. The total operating cost (staff, premises, vehicle maintenance, bike replacement and materials) is estimated at €23 million for the same time period.

## **8.2 Recommendations**

- *Bike-hire schemes have already been introduced in cities with arguably more hazardous and intimidating cycling conditions than any of the four regional cities. From this initial high-level study, it is concluded that schemes in each of the four regional cities would succeed in boosting the amount of cycling that takes place;*
- *Of the four, it is estimated that Galway and Cork are the best suited as they have more of the characteristics of the cities where bike-sharing schemes are successful;*
- *An exploration of complimentary measures is recommended to increase the impact of any bike-sharing scheme. The key focus is likely to be the need to improve cycle-traffic permeability in the city centres particularly in one-way streets and pedestrianised areas. This will have the twin advantage of making cycle trips more advantageous over other modes, as well as making journeys more navigable;*
- *A review of demand management measures (e.g. increasing car parking costs) as these have also been shown to be a very important factor in influencing the success of a bike sharing scheme. Increased revenue from car parking has been used by some cities to help fund bike-sharing schemes;*
- *A thorough review of the bikes and docking stations used in the Dublin scheme to determine their technical suitability for use in the regional cities; and*
- *It is recommended that published cycle maps are developed alongside proposals for bike sharing schemes. These would be particularly useful in the cities where very few people cycle, to help residents view their local area from a cycling perspective, and understand how quickly journeys can be made by bike (through the use of journey time isochrones on the map).*

## **8.3 Next Steps**

- *For a clearer view of the potential success of a bike sharing scheme in any of the cities, more detailed survey work is needed including research among the local population to assess the likely take-up rate, a review of the characteristics of each city's road and cycle network, and an assessment of potential locations for docking stations on footways and carriageways, and in other public spaces;*
- *Further liaison with the relevant councils, in order to discuss the issues and recommendations to assess impact on ongoing strategies and any infrastructure works; and*
- *Although the cost estimates are suitable for a high level feasibility review, closer examination of costs is necessary to provide more accurate information for a detailed financial review.*

## Appendix A Supporting Cost Information

**Table A1 Background figures for London and Paris**

	London	Paris
<b>Assessment costs</b>	£80m in first year start-up costs (Source Internet Article)	Capital (start-up) cost of programme for Decaux approximately €80-€90 million (Source Internet Articles)
Detailed review	£0.95M spent on management consultancy services (Source FOI letter – Corporate Services, TfL)	
Planning costs	To Jan 2011 £0.5M spent on legal and planning related services and £0.15M on planning application fees (Source FOI letter – Corporate Services, TfL)	
Operating cost	£18M p.a. (Source TfL, David Brown MD letter)	
Four depots		An unusual feature is Vélib's main repair facility, which floats on a barge on the river Seine. The barge floats between 12 stops along the Seine (Source Transport Canada)
Staff costs (all levels)	£10m TfL staff costs only (Source TfL, David Brown letter)	Four hundred workers serve the Vélib' system part time, 300 full time (Source Internet Article) 52 bike per staff. 3.6 stations per staff (Source Transport Canada)
Docking station costs	£70,000-£100,000 to plan and install (25 stands), £40,000 to operate and maintain (source - response to Mayor's Question Time)	
Bike costs	£900 (source, article in the Independent)	€400
Number of vehicles to move bikes around	20 (source – response to Mayor's Question Time)	20 natural gas powered redistribution vehicles. 130 electrically assisted bicycles with trailers for station maintenance and light on-site bicycle maintenance and 10 electric powered service vehicles which carry water and supplies for cleaning stations and bicycles.
Cycle training	Budget £800k to provide 17,500 hrs of training (Source TfL, David Brown MD letter)	
Bike maintenance costs	Included in the docking station costs	1,500 daily repairs
<b>Advertising &amp; Revenues</b>	£1.355M spent on advertising and publicity up until launch on 30 July 2010 (Source FOI letter – Corporate Services, TfL)	
Construction of the panel on site	£3,000 estimated	
Cost of the actual advertising board	Varied depending on the size and location	
	£25M sponsorship deal over 5 years with Barclays Bank	The combined advertising contract and revenue sharing returns estimated €24 million per year. JC Decaux expects €600 million in advertisement turnover over the course of the 10-year contract. The program could bring about €30 to €50 million in rental receipts (Source Internet Article)
Revenue	The scheme generated £323,545 in revenue from journeys in the first 96 days (Source Wikipedia). Income from fares £119M over 7 years	





*cutting through complexity*

# Public Bike Scheme in Regional Cities

November 2011





# Bike Schemes funding models

Combination of some or all of:

- Subscription, rental charges
- Advertising – Dublin, Paris, etc
- Sponsorship – London
- Public Funding – London, Stuttgart, Barcelona, etc
- Car Parking Charges – Barcelona



# dublinbikes

- Launched September 2009
- Partnership between Dublin City Council and outdoor advertising company JC Decaux
- Initially comprised 450 bikes and 40 bike stations
- Currently 550 bikes and 44 stations
- DCC is seeking to expand the scheme to 5,000 bikes and 300 stations over the next 5 years
- Fully funded by user charges and advertising



# London Bike Scheme

- Comprises 6,000 bikes and 400 bike stations
- Unlike the Dublin scheme, the London Bike Scheme “Barclays Cycle Hire” does not include advertising as part of its contract
- Serco operating contract value - £140m over 6 years
- Barclays sponsored the scheme - £25m over 5 years
- User charges, sponsorship and public funding



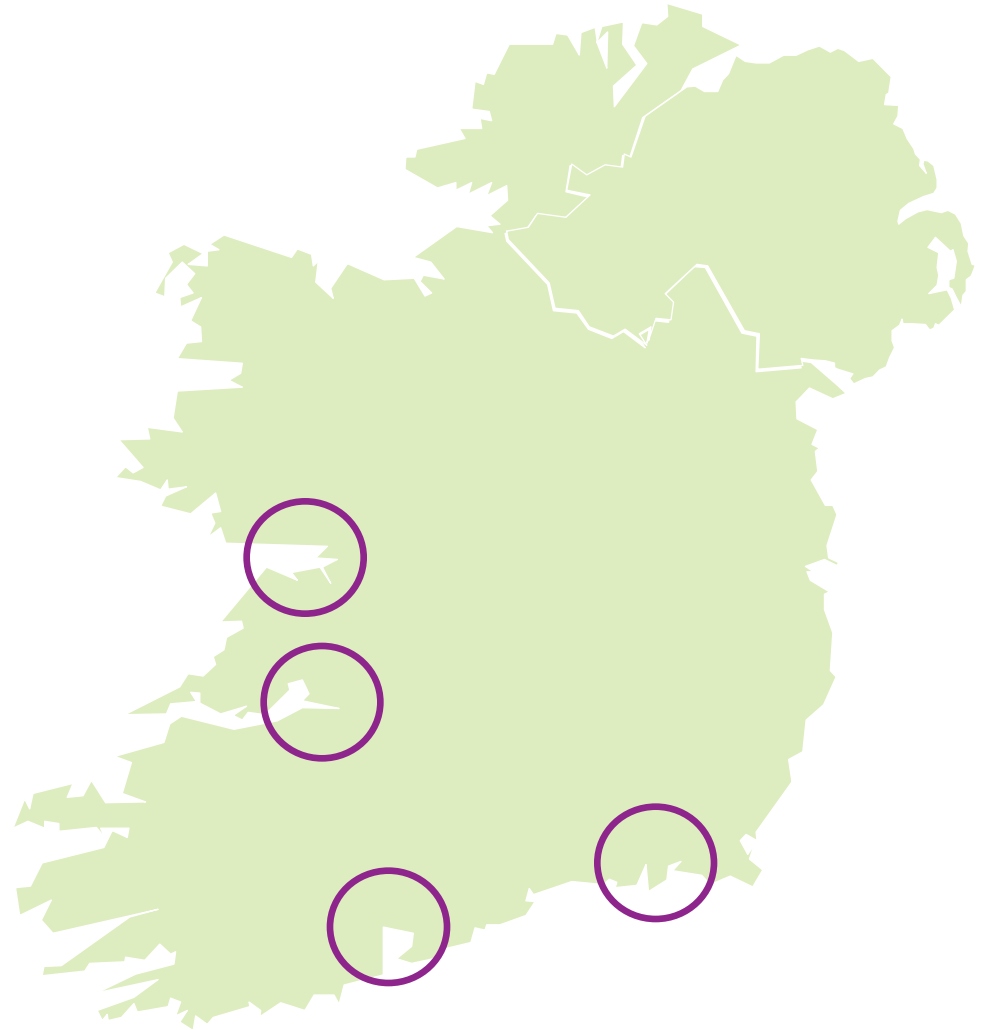
## Other Cities – funding, in addition to subscription / user charges

City	Scheme Size	Operator	Funding
Paris	Stations – 1,450 Bikes – 20,600	JC Decaux	Advertising
Lyon	Stations – 400 Bikes – 4,000	JC Decaux	Advertising
Barcelona	Stations – 400 Bikes – 6,000	Clear Channel	Public Funding, On-Street Car Parking
Milan	Stations – 103 Bikes – 1,400	Clear Channel	Public Funding, Advertising
Stuttgart	Stations – 64 Bikes – 400	Deutsche Bahn	Public Funding

# Regional Expansion

The four cities where Bike Sharing Schemes are being considered are:

- Cork;
- Limerick;
- Galway; and
- Waterford.





# Key Costs of Schemes

Key costs of schemes will include:

Capital – bikes, stations, control centre, system

Operating – staffing, bike maintenance, redistribution, control centre, IT



# Potential Sources of Funding

1. Outdoor Advertising
2. Advertising on the bikes
3. Subscriptions and usage fees
4. Scheme Sponsorship/Naming rights
5. Business contributions
6. Public Funding





# Potential Sources of Funding

- Outdoor Advertising / Advertising on the bikes
  - Advertising marketplace remains challenging
  - May simply displace advertising revenue from other areas
  - Remains a possibility as part of a solution
- Subscription and Usage Fees
  - Definite possibility to increase
  - Balance has to be achieved between price/demand



# Scheme Sponsorship

- Barclays' Cycle Hire sponsorship deal includes:
  - Naming the Scheme
  - Designing the bikes' branding space
  - Branding all marketing and communication material
  - Branding maintenance support vehicles and uniforms
- Could be by city or for all regional cities with a Bike Sharing Scheme
- Excellent opportunity for raising brand awareness



# Business Contributions

- Bike stations adjacent to premises if fits within planned network
- Potential factor in attracting staff
- Potential to name/brand station (depending on route chosen regarding sponsorship)
- Would not give additional rights regarding usage of bikes
- Details to be worked through





# Potential Sources of Funding

- Public Funds
  - Obviously remains challenging
- Solution likely to be a combination of some / all of the options



# Procurement Options

- Three potential procurement options have been identified:
  1. Combined Bike Sharing Scheme and advertising contract
  2. Publicly funded Bike Sharing Scheme
  3. Bike Sharing Scheme contract with a separate but linked advertising contract
- The above schemes could all be combined with a Naming Rights/Sponsorship Competition which would supplement the cost to the Authority

# Questions?

# Contact Details

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Department of Transport  
*An Roinn Iompair*



Mr. Gerry Murphy,  
Chief Executive Officer  
National Transport Authority  
Dún Scéine  
Harcourt Lane  
Dublin 2

27<sup>th</sup> April 2011



Dear Gerry,

The Government in its Programme is committed to looking to extend the Dublin Bikes Scheme across the wider Dublin area and to other cities and integrate the scheme much more effectively with public transport links.

I understand that the NTA is currently exploring with Dublin City Council potential mechanisms to expand the Dublin Bikes scheme. I recognise that the implications for existing contractual arrangements under the scheme need to be fully explored as does the determination of the best potential outcomes in terms of transport policy for the city. However, given that interoperability with the Dublin scheme would not need to be a prerequisite to the introduction of public bike schemes outside Dublin, I am anxious that consideration of approaches to the extension of the scheme to other cities would proceed in parallel with the work on the expansion of the Dublin scheme.

Building on the knowledge and experience of the NTA of the Dublin contract and bearing in mind the various approaches employed to deliver public bike schemes elsewhere, I am asking the NTA to examine potential means of introducing public bike schemes in the other cities. Although economic conditions have fundamentally changed and it is questionable if the exact Dublin Bikes model could be applied at this stage in other locations, however, the potential for partnership with or sponsorship by private sector collaborators to deliver schemes at the lowest potential cost to the wider Government system should form a key element to the approach. I am keen that this examination be conducted as quickly as possible to facilitate the earliest possible introduction of new schemes. Accordingly, I would be grateful if I could receive recommendations from the NTA by June of this year.

Yours sincerely,

  
Alan Kelly, T.D.,

Minister of State at the Department of Transport, Tourism and Sport

Minister Alan Kelly, T.D.  
Department of Transport, Tourism & Sport,  
44 Kildare Street,  
Dublin 2.

30<sup>th</sup> June 2011

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### **Re: Public Bikes Scheme**

Dear Minister,

I refer to your letter of 27<sup>th</sup> April 2011 where you requested that the Authority would examine the potential for the introduction of public bikes schemes, similar to the “dublinbikes” scheme, into the regional cities.

We have carried out an assessment of the potential for introducing such schemes in Cork, Galway, Limerick and Waterford. Two reports have been prepared which are attached. The first is a technical report titled *“Proposals for Introducing Public Bike Schemes in Regional Cities – Technical Feasibility Study”* and the second is a commercial report titled *“Proposals for Introducing Public Bike Schemes in Regional Cities – Funding Options, Initial Outline Business Case and Procurement Options Report”*.

The technical document has addressed the identification of potential scheme areas in each city, assesses the potential usage that might emerge, defines the elements of a potential bike-sharing scheme and provides “order of magnitude” costs for the installation and operation of these schemes.

The commercial document deals with identification of funding options, assessment of advertising potential, cost and revenue analysis and analysis of procurement options. In addition, it also includes a market consultation exercise with four key market leaders in this area. It is worth noting that there is a paucity of cost information in this area of bike schemes, given the unusual nature of the contractual arrangements applying to them. Accordingly, robust cost details are extremely difficult to obtain. While we are satisfied with the cost information provided in these reports, they should be treated very much as high level indicative costs only.

### **Overall Conclusions from Reports**

Arising from the work carried out, the overall conclusions, when both reports are considered on a combined basis, are as follows:

1. There is the potential to introduce a bike-sharing scheme in each of the regional cities, but Galway and Cork would appear to have greater potential given their size, layouts and traffic patterns;
2. The relatively small population size in each city suggests a significantly lower usage of the bikes than in a typical major European city, with the estimated demand likely to be between 1 and 3 trips per bike per day, compared with each bike being used between 5 and 15 times per day in a major European city scheme;
3. There is a significant cost associated with establishing and operating such schemes – indicative capital costs for the establishment of such schemes in the four regional cities would be of the order of €6.4 million (which excludes advertising sites) with an operating cost in the region of €23 million over a 15 year period (these are combined costs for the four cities);
4. Potential sources of non-Exchequer revenue include:
  - a. Advertising sites within the cities;

- b. Advertising on the bikes;
  - c. Scheme sponsorship / sale of naming rights to the scheme;
  - d. Business contributions;
  - e. Subscription fees;
5. While advertising remains as a key source of revenue, the outdoor advertising market is depressed at present with revenues down to perhaps half of the peak revenues of a few years ago;
6. It is unlikely that the introduction of such schemes could be achieved without some level of public funding support. That support would be likely to be required for both the capital and operating costs of the scheme. The exact level of support will be very much dependent upon the extent of advertising revenue achieved in each city.

### **Recommendations**

Although the regional cities are small by comparison with most locations of bike scheme introductions in Europe, it is feasible to introduce such schemes. Should a decision be made to progress the introduction of such schemes into the regional cities, the Authority's recommendations are as follows:

1. That Galway and Cork are selected as the two initial cities most suited to the introduction of such schemes. The expansion of the scheme to Waterford and Limerick should await the outcome of the initial introduction into Galway and Cork;
2. That for economies of scale the procurement should be a combined procurement basis across all of the cities – approaching each city on an individual basis would be more expensive in both development and operational costs;
3. That the next stage should be a more detailed assessment and development of a scheme for Galway and Cork, which would include:
  - a. The development of the technical design of the schemes in each city, including defining precisely the scheme area and exact bike station locations,
  - b. A more in-depth assessment of the actual advertising potential in each city identifying actual sites and proposed advertising space;
  - c. Further researching of potential sources of non-public revenue;
  - d. Public consultation on emerging scheme;
  - e. Further development and refinement of tender strategy and preparation of tender documents;
  - f. Development of any documentation required for statutory approvals;
4. That, following the above scheme development, a comprehensive business case is prepared upon which a final determination on the progression of the scheme can be made.

At that stage a decision can be made on the merits of proceeding to seek statutory approval and to go to tender on the project.

While the above recommendations are predicated upon proceeding initially with Galway and Cork, an optimal procurement approach may mean that some development of the Waterford and Limerick schemes also needs to be undertaken to allow an integrated procurement.

We are available to discuss further or respond to any queries.

Yours sincerely,



Hugh Creegan

Director of Transport Planning and Investment.

## Hugh Creegan

---

**From:** Hugh Creegan  
**Sent:** 20 June 2012 07:48  
**To:** 'BEHAN Laura'  
**Subject:** RE: Meeting with Minister Kelly this afternoon  
**Attachments:** Operating Cost Slide.ppt

Laura, operating cost slide attached. Hugh

# Scheme Operating Costs

	Cork	Galway	Limerick	Waterford	Control Room	Total
Recommended number of bikes	235-265	200-250	135-165	80-100		
Recommended number of docking stations (and docking points)	25 (510)	23 (380)	20 (255)	10 (150)		
Operating cost over 15 years with single Control / Head Office	€7.25m	€3.8m	€3.8m	€3.8m	€4.5m	€23m
Operating cost over 15 years with Distributed Control / Head Office	€9.0m	€4.7m	€4.7m	€4.7m		€23m

Scheme life is approximately 15 years

Year 1: Scheme implementation  
 Year 2 – 15: Operational



## Hugh Creegan

---

**From:** Hugh Creegan  
**Sent:** 02 August 2012 17:55  
**To:** 'BEHAN Laura'  
**Subject:** Regional Cities  
**Attachments:** Proposals for Delivery of City Bike Schemes.docx

Laura, a bit after 5pm I'm afraid! My first thoughts on possible process. I am in meetings from about 10 to 12.30 tomorrow morning. Regards, Hugh

# Commercial Workstream

## Option 1: Formal Process

Frame the skeleton of a “sponsorship” competition and formally initiate an expression of interest process, which would be the first stage of a formal tender process. Along with other details, it would set out the rights that would be provided in return for the sponsorship, namely:

- (a) Naming rights to bikescheme;
- (b) Advertising/branding on bicycles;
- (c) Advertising/branding at bike station locations.

Responses to provide:

- (i) Details of the proposed sponsorship provider;
- (ii) Identification of which cities are of interest to the proposed sponsor, allowing 1, 2, 3 or 4 cities to be selected.

The process would proceed on the basis of treating each city as a single sponsorship deal and for the next stage of the competition, those who had responded to the expressions of interest request would be requested to prepare a detailed sponsorship offer in respect of each city that they had selected as being of interest to them at the earlier stage.

The sponsorship deal would then be awarded on a city by city basis, starting with Galway. So, having received the sponsorship bids on an individual city basis, we would award the sponsorship deal for Galway to whoever provided the best offer for Galway. Thereafter, we award the next city, say Limerick, to the best proposal for Limerick and so on.

So if someone is interested in more than one city they structure their proposal by individual city and submit accordingly. Their proposals are evaluated separately for each city and that process will dictate how many cities they get awarded. Alternatively, if they are only interested in one city they just bid for that city.

Outcomes could include that we get one sponsor who is awarded two cities, and two more sponsors who are each awarded the third or fourth city.

## Option 2:

To advertise seeking expressions of interest in “sponsoring” the operation of a bike scheme in one or more of the four regional cities, in return for:

- (a) Naming rights to bikescheme;
- (b) Advertising/branding on bicycles;
- (c) Advertising/branding at bike station locations.

Such expressions of interest would not form part of a formal process but would guide the subsequent development of a formal process.

Responses would indicate :

- (i) Which cities or order of preference of cities;
- (ii) If interested in more than one city, what city bundle is of interest;
- (iii) Term of deal that would be of interest;
- (iv) Other useful information.

Following responses, DTTAS/NTA determine what type of sponsorship deal seems more appropriate.

Then prepare a “sponsorship” competition to award a sponsorship deal. May be for a combination of cities or for a bundle of cities. This would be advertised publically i.e. not limited to just those who submitted expressions of interest. Need to be careful that DTTAS/NTA cannot be accused of framing competition to suit participants who responded to the expressions of interest.

## **Technical Workstream**

Further work needs to be done in each city, fleshing out the initial work done in the concept reports last year. In addition, tender documents need to be prepared for the main supply, install and maintain contract for the actual bikes and a separate set of documents for the sponsorship process.

On the technical design, the NTA has a framework panel of technical consultants in place and can draw down such services on a min-competition basis. The proposal would be to let a firm technical contract for the necessary technical work in Galway and to include a series of contract options which would allow the work in the other cities to be added and commenced as greater certainty emerges over the potential of sponsorship for each city.

## Hugh Creegan

---

**From:** Hugh Creegan  
**Sent:** 26 November 2012 14:12  
**To:** Jim McGrath (jamesmcgrath@dttas.ie); 'BEHAN Laura'  
**Subject:** Sponsorship Application Process - Invitation for Expressions of Interest  
**Attachments:** Sponsorship Application Process - Invitation for Expressions of Interest.docx

Jim, Laura,

This is the formal request document seeking expressions of interest in relation to sponsorship of the regional bikes schemes.

We propose to put it on our website this afternoon and also on etenders.

In addition, we propose putting one ad in a national newspaper for Wednesday or Thursday and placing an ad in a local paper circulating in each of the four cities.

We are also going to send a circular to all the key ad agencies in the country plus relevant Chambers of Commerce.

Regards,

Hugh



#### DTTAS LOGO

The National Transport Authority (the “Authority”), acting on behalf of the Department of Transport, Tourism & Sport, is developing proposals for the potential introduction of public bike sharing schemes into the cities of Cork, Galway, Limerick and Waterford.

The Authority is seeking expressions of interest from commercial entities who may be interested in participating in sponsorship contracts relating to the proposed public bike sharing schemes. It is envisaged that, for an appropriate sponsor, the sponsorship contract for each city would include:

- Naming rights to the bike scheme;
- Branding /Advertising on the bicycles; and
- Branding /Advertising at bike station locations.

An information document and application form is available from the Authority’s website at [www.nationaltransport.ie](http://www.nationaltransport.ie)

Completed application forms should be submitted to the National Transport Authority at the address stated in the information document before 5.00pm on Tuesday 18<sup>th</sup> December 2012.

## PROJECT REPORT

# Introducing Public Bike Schemes in Regional Cities

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<b>Timeline:</b>	October – November 2011
<b>Status:</b>	Completed
<b>K+A team:</b>	Sheena Horgan (SH), Amy Holmes (AH)
<b>Client contact:</b>	Sara Morris (SM) – National Transport Authority
<b>Distribution:</b>	Hugh Creegan (HC) - National Transport Authority Gerry Murphy (GM) - National Transport Authority Laura Behan (LB) – DTTAS Declan Geraty (DG) - DTTAS Jim McGrath (JMcG) - DTTAS Caroline Ryan (CR) - DTTAS

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## **1. Background and objectives**

In October a meeting was attended by Minister Alan Kelly TD, Jim McGrath (JMcG), Laura Behan (LB), Gerry Murphy (GM), Sara Morris (SM) and Sheena Horgan (SH) to discuss and agree on a series of symposiums being held in the four regional cities of Cork, Waterford, Limerick and Galway. The objective of these was to engage with stakeholders on the subject of, and potential regarding, the roll out of a public bike scheme in those cities.

### Format

The format of each symposium was to include presentations (see Appendix IV) by

- KPMG on their report entitled “Proposals for Introducing Public Bike Schemes in Regional Cities – Funding and Procurement Options Report”
- the National Transport Authority
- Dublin Bike Schemes

The Minister would attend and open all four events, and where possible chair the Open Forum discussion

The final agenda is attached under Section 3.

### PR & Event Management

It was agreed that Keating & Associates (K+A) would manage the events on the National Transport Authority’s behalf, working alongside SM and LB with input from JMcG.

A set of key messages and Q&A were initially drafted by K+A (signed off messages are in Appendix III and key statistics salient to each region were compiled by SM, LB and CR (Appendix VI). These were utilised in the Minister’s speech, the presentations, open forum discussions and also the media material.

### Website Management

A dedicated page and (NTA) e-mail address were set up on the NTA’s website by SM. And various links and documents were attached as the announcements were made.

### Invitation lists

LB and the DTTAS managed the invitation list which was drawn up to include local elected representatives, key staff, state bodies, local enterprise and transport agencies, local cycling groups, companies, chambers, business associations, large employers and Smarter Travel Workplace Partners. A letter of invitation was sent from the Minister to the list and acceptances collated through the Department. The only exception was Galway which managed the company lists and issued those invitations directly.

## **2. Announcement**

The symposiums were then planned for early November, and were to be announced by the Minister prior to these dates. The announcement date was initially October but was put back to facilitate a joint announcement by the Minister and the Taoiseach.

A photocall was held on 3 November at Government Buildings. The notice and announcement release (Appendices III) was drafted by K+A with input from SM and LB, and was then edited by CR and approved through JMcG.



### 3. Symposium Meeting Reports

#### Cork

Date: Monday 7 November 2011  
Venue: City Hall  
Attendance: Approx 50 people attended on the day.  
Media Attendance: Evening Echo (reporter and photographer)  
Irish Examiner (reporter and photographer)  
96FM  
Irish Times (Olivia Kelleher)  
Irish Independent (Georgina O' Halloran)

#### Agenda

10.30am	Registration
10.45am	Welcome –Mayor Cllr Pat Hayes
10.50am	Waterford city context – Michael Walsh, City Manager
10.55am	Opening Address – Minister Alan Kelly TD
11.05am	The experience in Dublin – Ciaran Fallon, Dublin City Council
11.20am	Potential of the Bikes Scheme – Gerry Murphy, NTA
11.45am	Coffee break – opportunity to engage with symposium attendees
12.15pm	Commercial possibilities – Michele Connolly, KPMG
12.40pm	Open Forum - chaired by Minister Alan Kelly TD
1.30pm	Close

#### Waterford

Date: Wednesday 8 November 2011  
Venue: City Hall  
Attendance: Approx 40 people attended on the day.  
Media Attendance: Waterford News & Star  
Munster Express  
Waterford Today  
WLRFM

#### Agenda:

10.30am	Registration
10.45am	Welcome –Mayor Cllr Pat Hayes
10.50am	Waterford city context – Michael Walsh, City Manager
10.55am	Opening Address – Minister Alan Kelly TD
11.05am	The experience in Dublin and the Potential of the Bikes Scheme – Gerry Murphy, NTA
11.45am	Coffee break
12.15pm	Commercial possibilities for the Scheme – Michele Connolly, KPMG
12.40pm	Open Forum –chaired by Michael Walsh
1.30pm	Close

### Limerick

Date: Monday 7 November 2011  
Venue: Limerick City Gallery of Art, Carnegie Building, Pery Square  
Attendance: Approx 30 people attended on the day. Attendance was particularly high amongst Limerick City Council.  
Media Attendance: Limerick Leader  
Limerick Post  
Live 95FM  
Irish Times (Kathryn Hayes)  
Irish Independent (Barry Duggan)

Agenda:  
10.30am Registration  
10.45am Welcome –Mayor of Limerick Cllr. Jim Long  
10.55am Opening Address – Minister Alan Kelly TD  
11.05am The experience in Dublin and the Potential of the Bikes Scheme  
– Gerry Murphy, NTA  
11.45am Coffee break – opportunity to engage with symposium attendees  
12.15pm Commercial possibilities for the Scheme – Neil Collins, KPMG  
12.40pm Open Forum –chaired by Minister Alan Kelly TD or Tom Mackey  
1.30pm Close

### Galway

Date: Monday 7 November 2011  
Venue: Siobhan McKenna Theatre, Arts Millennium Building, NUIG  
Attendance: Approx 4/50 people attended on the day.  
Media Attendance: Morning Ireland  
Galway Bay FM  
Galway Advertiser  
Galway Independent

Agenda  
10.30am Registration  
10.45am Welcome –Mayor of Galway, Cllr Hildegard Naughton  
10.50am Galway City Context – City Manager Joe O'Neill  
10.55am Opening Address – Minister Alan Kelly TD  
11.05am The experience in Dublin – Ciaran Fallon, Dublin City Council  
11.20am Potential of the Scheme - Anne Graham, NTA  
11.45am Coffee break  
12.15pm Commercial possibilities for the Scheme – Michele Connolly, KPMG  
12.40pm Open Forum – participation / discussion from the floor.  
1.30pm Close

## 4. Open Forum Discussion Report

The following points were raised and discussions took place in various forms at all events unless otherwise stated:-

### On the figures

Regarding the financials clarification was sought at all symposium. The response was that: Obviously Dublin has a low charge but whilst the income yielded is low, the potential to increase is there; charges need to be considered in terms of how it will pay for the scheme and how it will affect demand. It was admitted that the regional schemes are a challenge and must “wash its face in terms of the use of the public purse”. Dublinbikes’ subscriptions fees and charges, and insurances were clarified but it was continually emphasised that this is the start of the dialogue and “there’s no monopoly on good ideas”, and all business models would be considered – including one national sponsor – and ideally the scheme would be self-financing, but there is flexibility.

Regarding the potential of the advertising revenue, questions were asked on the size and possible shortfall ad revenue could make to the scheme. KPMG clarified that the number of advertising sites needed was known but the revenue charged and secured is still an “unknown” as city-specific data on the advertising marketplace is difficult to get. Advertising displacement was also mentioned as an issue to be considered.

A suggestion was made that the funds equate to tiny cost compared with the cost of a car park, so should there be investment in a docking station as opposed to a car park... and sell that on to business on the basis that it will drive footfall, convenience of location etc. – the same way a car park is sold to local businesses. It was added that it could be developed piecemeal, one station at a time.

One attendee in Cork suggested not to write off bike branding as there’s interactive screen branding potential on spokes!

### On scale

On the subject of scale GM stated that smaller schemes could fly faster than larger cities, and small scale programmes could also be attractive in terms of tourism.

Multi-council funding was also raised and it was agreed that there is potential for this, and broadening the revenue base, but that the proposition is to start with the four cities and then look beyond them.

It was also commented that regional cities might be too limiting.

Another suggestion was that the regional cities should be the drivers of a national scheme and ideally it should be the same scheme in every city – how this impacts on a tourist was given as an example. And they should be inter-operable. Keeping it as a single scheme membership will be necessary if something truly national is to be created (not just for the “urban elite”)

#### On safety

This was raised and on both(?) occasions the phenomena (The Safety Numbers Effect) of greater risk when there's no or few cyclists on the road, was explained - that the general rise in cycling numbers in Dublin means the accident rates come down. This was also tied in with why it's important that a bike scheme is part of a broader initiative.

#### On pedestrians

The issue regarding the problem of cyclists interfering with pedestrians in terms of path usage and not adhering to road signage, was put to the panel in both Cork and Galway. The response re-iterated the need to develop a cycle-friendly city, and talked about projects afoot to improve the situation.

#### On bike scheme users

On several occasions the question was asked regarding the profile of the DublinBike users. The response is that there is not concrete data as of yet but that it is being collated, and anecdotally it is more "citizen than tourist" biased, though the latter group does use the scheme at weekends. The point was also made that this was the Dublin city experience but that this may not be the case in the regional cities where student or tourists may make up a great proportion of potential users.

A suggestion was made regarding the economics of the scheme and the involvement of hotels (Limerick & Waterford). The 18 hour tourist stay could avail of the bikes. It would be good to widen the appeal to visitors and to look at joined up thinking in terms of tourism and economics. The Minister made assurances that there is indeed joined up thinking evident regarding the infrastructure and smarter travel areas and the national network designs.

#### On the business community

Questions were asked about the specific plans to engage with the business community? The presentation material was re-iterated in response regarding being open to various business models from naming rights, sponsorship and advertising opportunities to philanthropic and civic options.

And the reply to questions on what are the stages, how long is the consultation process and how can you access it, explained that this is the start of an ongoing dialogue, which will be assessed with feedback in Q1 of 2012. (Minister: "Important to say that there are four cities and there's an element of first mover.... Most progressive will be rewarded"). The scheme cannot be moved forward until funding options have been identified. Should we launch the scheme in 1 city or all 4? Should there be 1 overall sponsors etc. These are questions we need to answer so we're looking for expressions of interest at this stage.

#### On further engagement and next steps

How wide was the planned engagement was another question asked to which the panel confirmed that this is the initial commercial phase, to trigger and gauge interest, and that the next step would be wider scoping and consumer engagement.

When asked who would move the scheme forward, the Minister responded that the local authorities and the NTA would with his department's support. He agreed there's a role for the local chambers of commerce.

### On the bikes

It was clarified that the bike stations cannot be used for other personal bikes and are not or compatible with non-scheme bikes – the response re-iterating the need to for schemes to be aligned with other travel initiatives.

Cargo bikes were also suggested.

### Specific points re. Cork

The panel was asked whether there were any plans to extend the scheme to CUH and CIT. The answer was that it was to be kept central at the start and then consider expansion, but it was emphasised that the scheme must be in line with Cork's own network plans

A HSE attendee queried what advertisers/sponsors would be sought as she had concerns regarding certain brands sponsoring a healthy initiative like the bike scheme.

### Specific points re Limerick

Regarding the zones there were several comments on the locations regarding the existing infrastructure already in place, and collaborative approach at a city, county, business and university level, that could accommodate links between the city and university. References were made to the Smarter Travel competition held years back that could be a blueprint for the process. It was suggested that the infrastructure did need improving but many agreed that it would be a huge boost to the city to have the city centre university linked. It was proposed that the bike scheme would complement this, and could be "a single project that would change behaviour".

One councillor noted that Limerick is a progressive city and Smarter Travel is about changing culture so we need to get the messaging across to schools also to ensure all the potential benefits can be realised. It is a major change but the onus is on all of us to play our part for social, economic, health and leisure reasons.

The responses noted that Limerick has good topography and is a compact city with key third level institutions which admittedly can suffer where they're not linked directly to the city – hence the scheme would have an impact, including bringing a vibrancy to the city.

## **5. Media Coverage**

Overall the symposiums were well received by the media both at a national and importantly, also a regional level. Coverage attained was a good mix of broadcast and press, and interviews secured for the Minister and also Gerry Murphy.

### Photocall/announcement

National coverage:	Newstalk Breakfast – interview with the Minister (3/11/11)
	RTE 6oc News (3/11/11)
	<a href="http://www.irishtimes.com">www.irishtimes.com</a> (3/11/11)
	The Independent (4/11/11)
	The Examiner (4/11/11)
	<a href="http://www.breakingnews.ie">www.breakingnews.ie</a> (3/11/11)
	<a href="http://www.journal.ie">www.journal.ie</a> (3/11/11)
	KBC Bank website

### Cork

National coverage: Irish Examiner (2/11/11)  
Irish Examiner (8/11/11)  
*Irish Examiner (18/8/11)*

Regional coverage: Cork Evening Echo (2/11/11)  
Cork Independent (3/11/11)  
[www.thecorknews.ie](http://www.thecorknews.ie) (4/11/11)  
96FM ('pre' and 'during' interviews)  
Chartered Institute of Logistics and Transport  
Cork Chamber of Commerce website

### Waterford

Regional coverage: WLRFM ('pre' and 'during' symposium interviews)  
Waterford Star & News (10/11/11)  
Waterford Today (9/11/11)  
Waterford Chamber

### Limerick

Regional coverage: Limerick Leader (15/11/11)  
Limerick Post tbc  
Live 95FM ('pre' and 'post' symposium interviews)  
Irish Times (Kathryn Hayes)  
Irish Independent (Barry Duggan)

### Galway

National coverage: Morning Ireland (15/11/11)

Regional coverage: Galway Bay FM News (pre and post symposium 14 & 15/11/11)  
Galway Independent (16/11/11)  
Galway Advertiser (3/11/11)  
Catherine Connolly Blog (14/11/11)

Total reach in terms of circulation/listenership/viewer figures:-  
(with a PR weighting of 2.5)

## **6. Key learning**

The extensive coverage achieved by the symposiums, their good attendance figures and the depth of debate and interest shown on the ground at each event, has meant that the subject of regional public bike schemes is now well embedded amongst the target stakeholders.

An additional benefit is that the local authorities are now well informed of the schemes, their potential and challenges, and the issue of funding is transparent and not subject to circumspect.

The attendance however, from the business sector, despite engagement with local chambers and large employers, was poor. A mid morning event may not have suited senior business people, but the timing was important to ensure other attendees and presenters could use public transport to attend.

Furthermore, given the complexities of implementing a scheme, business partners are most likely to have wanted to wait and gauge the wider interest amongst firstly consumers as users, and secondly the civic decision makers as operational stakeholders. Critically, the level exposure of each event is testament to the appetite and enthusiasm for the schemes amongst both groups, which will undoubtedly impact on potential business partners/sponsors' awareness of and interest in the schemes.

## **7. Next steps**

Structured studies now need to be conducted into the Cork and Galway schemes along with greater assessment of the demand for the schemes amongst potential users - the DublinBikes research on user profiles may feed into this.

Further analysis of the actual and potential advertising in each locality is also worth considering. And in the absence of any sponsors coming forward, and to build on the awareness levels as per the above points, it will now be important to formally initiate a dialogue with potential advertisers/sponsors. Whilst the reports refer to decreased marketing budgets and the concern of advertising displacement, there are still a number of organisations and brands, interested in exploring new and innovative marketing opportunities. The public bike schemes could represent such an opportunity. To engage with this group therefore, it may be advisable to meet with identified brands on a one-to-one basis, and also with the key media planners who in turn advise such potential sponsors.

In addition, as the point was raised regarding what commercial alliances would and would not be appropriate, it may be advisable to draft a marketing code or set of guidelines (in advance of these meetings) that state:

- what marketing/sponsorship opportunities the scheme can offer
- what guidelines such partners would need to follow (ie use of language and imagery... for example would a Hunk Dory's ad be appropriate at a bike station in terms of a) product and b) image?)
- what products or brands are not appropriate for the scheme given its green/healthy/family-friendly audience and user profile and locations.
- under the jurisdiction of which legislation/self-regulation will the schemes advertising fall (ASAI/BAI/etc.)?



Appendix I

Invitation letter

## **Appendix II Attendee list**

## Appendix III Press releases

# Govt Announces City-Bike Symposiums For Cork, Galway, Limerick & Waterford

03 - 11 - 2011

Related Images



- *Public Bike Schemes Possible with Private Sector Partnership – Minister Kelly*

The Taoiseach, Enda Kenny along with Public Transport Minister, Alan Kelly, have announced a series of public bike symposiums to be held in regional cities in an effort to secure private sector support for city bike schemes outside of Dublin.

Public bike schemes, including Dublin bikes, allow bicycle users to pick up and drop off bikes at different points inside a city for a relatively low charge. A commitment to explore the possibility of rolling this scheme out to the regional cities was made in the programme for Government.

Speaking today, the Taoiseach said: "The Dublinbikes Scheme has been a resounding success and is internationally acknowledged as one of the most successful in Europe. This Government believes that public bike schemes in our other regional cities would enhance the city centres and provide a great boost to the cycling cultures already developing there."

Organised with the National Transport Authority, a separate symposium will be held in each city with a view to examine combined funding mechanisms for city bike schemes in the regional cities. A commercial study into the scheme by the NTA reveals that while the scheme is feasible, the funding model that makes the scheme work in Dublin cannot be applied to the other regional cities and alternatives must be found.

Minister Kelly stated: "Given the current constraints on government funding, we have to look at alternative funding mechanisms and to business, civic and community groups for ideas and proposals. Getting involved in say Galway bikes or Cork bikes could be a wonderful opportunity for the right partner to get involved and share in the success in what could be an iconic way of travelling in these cities and would be supportive of a Government initiative."

"Introducing public bike schemes to these cities is feasible and there have been some initial expressions of interest from the private sector who are interested in coming on board. Dublinbikes, which has seen more than 2.6m passenger journeys in Dublin in just 2 years, gives an idea of the potential for these schemes to take off," stated Minister Kelly.

The preliminary cost of building and running the bike schemes across four cities for fifteen years is in the region of €30 million between current and capital costs at current market conditions.

Today's announcement follows the publication of two separate reports commissioned by the National Transport Authority (NTA) to consider the introduction of public bike schemes in the regional cities.

Gerry Murphy, CEO of the National Transport Authority said: "The technical report considers the potential scope and on-the-ground logistics of schemes in each city and the commercial report considers funding, cost and revenue analysis and options. The findings and content of both documents will underpin and inform the symposiums' discussions and the reports and summaries are available from today on the National Transport Authority's website (<http://www.nationaltransport.ie/citybikes.html>) and are also accessible through the Department's website ([www.dttas.ie](http://www.dttas.ie))."

#### **Notes for Editors:**

Indicative capital costs to set up the schemes in the four proposed cities are challenging at €6.4 million with operating costs estimated at €23 million over a 15 year period.

The initial €23 million estimated figure would break down at over €7 million for Cork and just under €4million each for Galway, Waterford and Limerick with €4.5 million control room costs.

The four Bike Symposiums aim to inform and engage with interested parties, gauging the appetite locally for the scheme, communicating the issues involved and providing a defined channel via the National Transport Authority, which any interested parties can avail of to discuss an interest openly or in commercial confidence.

Symposiums will be held in Cork, Galway, Limerick and Waterford in the coming weeks to get ideas, input and evaluate support at a local level.

<b>City</b>	<b>Date</b>	<b>Venue</b>
Cork	7 <sup>th</sup> November	Millennium Hall, City Hall
Waterford	9 <sup>th</sup> November	The Large Room, City Hall
Limerick	14 <sup>th</sup> November	Limerick City Gallery of Art, Pery Square
Galway	15 <sup>th</sup> November	Arts Millennium Building, NUI Galway

Public Bike Schemes can bring a wide-range of visible benefits to cities. Not only are they a quick way to travel short journeys, they are cheaper on the pocket, they are a sustainable means of transport and not only do they result in a reduction in traffic, they can attract tourists and provide other options for public transport.

Dublinbikes is widely recognised as one of the most successful bike share rental schemes in the world. It currently has over 63,000 subscribers (of which almost two thirds hold long term subscriptions) and 2.6 million journeys have been taken since launch. On 13 Oct 2011 the scheme reached yet another rental record. 7,052 journeys were taken on the bikes, meaning each bike was rented an average of 13 times.

The last census showed that over 200,000 of us drive less than 4 kilometres to work. To incentivise people to not use their cars, we have to make walkways, cycle paths and the road network more user-friendly. Public bike schemes make cycling more visible and therefore safer, provide more transport choice in city centres and enhance people's experience of their city proving a win-win for the public and for business.

**For further information please contact:**

Sheena Horgan, Keating & Associates m: 085 772 1017

Sara Morris, National Transport Authority m: 086 385 8431

Caroline Ryan, Department of Transport, Tourism and Sport. M 086 891 5570

## **Minister Kelly opens first ever Cork Public Bike Symposium**

### ***Government committed to rolling-out public bike schemes with private sector partners***

Members of the public, business interests, civic and community groups today joined Minister for Public and Commuter Transport Alan Kelly and CEO of the National Transport Authority Gerry Murphy at Cork's first ever public Bike Symposium.

The Symposium today is the first of four<sup>1</sup> which will take place in the coming week following the announcement on 3 November by An Taoiseach and Minister Kelly that the Government is committed to exploring the rollout of a public bike rental scheme to regional cities.

Speaking today, Minister Kelly said: "The Government has given a clear signal that we are fulfilling our commitment in the Programme for Government that public bike schemes in our regional cities are explored. The purpose of the symposium today is to gauge the appetite locally in Cork City for a public bike scheme and to establish the views of everyone but also to articulate the issues involved, so that we can have an informed discussion around funding. In the current economic climate, it will not be possible for the Exchequer to fully fund a scheme for Cork, so we are seeking private sector partnership to make this a reality.

Two reports on the feasibility of rolling public bikes schemes to our regional cities were commissioned by the National Transport Authority. One, a technical report considering the potential scope and on-the-ground logistics of schemes in each city and the other, a commercial report considering funding, cost and revenue analysis and options. Reports are available at <http://www.nationaltransport.ie/citybikes.html>. Gerry Murphy CEO of the NTA gave a presentation at the Symposium, outlining the potential for a public bike scheme in Cork. Mr. Murphy said: "Cork has a population of around 150,000 with a cycle-friendly topography (away from the northern side) and the compactness of the city will support demand for a public bike scheme. A fleet of approximately 300 bikes is recommended and the proposed deployment area would stretch from Kent Station in the East to UCC in the West. The proposed area is linear due to steep hills to the north, the distribution of the main trip attractors close to the river and the location of the railway station and university. A public bike scheme is feasible for Cork; and already operate in other similar-sized European cities. "

Minister Kelly continued: "Cycle parking in Cork city is already well used and the level of footway cycling indicates a suppressed demand, but at present, cycling accounts

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<sup>1</sup> Bike Symposiums will also take place in Waterford 9 November, Limerick 14 November and Galway 15 November 2011.

for just 1% of the transport share in the city. We have to change this. Under the Jobs Initiative, this Government has allocated €400,000 to Phase 1 of the Cork City Cycle Network, which will be implemented this year. This will introduce 12.3km of cycleway connecting Douglas to the City Centre and the overall objective of the cycle network is to provide an integrated, safe and functional network for the Cork Metropolitan Area. “

Minister Kelly concluded: “Cycling just makes sense. It’s a fast, cheap, hassle-free way to get around. Nationally, it’s gaining in popularity and this year National Bike Week 2011 was our most successful ever with lots of great events here in Cork and I am anxious to build on this. Public bike schemes can bring a wide-range of visible benefits to cities. Not only are they a quick way to travel short journeys, cheaper on the pocket, a sustainable means of transport, they can reduce traffic and attract tourists. What better way to build on the increasing number of visitors to Cork than adding a new option to see the city – travelling by bike. “

ENDS

#### Notes for Editors:

1. Indicative capital costs to set up the schemes in the four proposed cities are challenging at €6.4m with operating costs estimated at €23m over a 15 year period. The €23m would break down at over €7m for Cork and just under €4m for Galway, Waterford and Limerick, with €4.5m control room costs.
2. This year’s National Bike Week 2011 was our most successful ever; with great events in Cork, such as the lunchtime cycle in Cork city centre, the Sunday group cycles, the event between Carriagline and Crosshaven and another from Passage West to Blackrock Castle, charity bike rides and more. There is
3. The last census showed that over 200,000 of us drive less than 4km to work. To incentivise people to not use their cars, we have to make walkways, cycle paths and the road network more user-friendly. Public bike schemes make cycling more vestibule and therefore safer, provide more transport choices in city centres and enhance people’s experience of their city, providing a win-win for the public and for business.
4. The National Transport Authority is administering on behalf of the Department €2.85m in grant funding for sustainable transport projects in Cork City, including bus priority park and ride programmes, bus stop accessibility and other projects under the Jobs Initiative Fund.



## **Waterford Public Bike SYMPOSIUM addressed by Minister KELLY**

*- Symposium looks at feasibility of a bike-rental scheme for Waterford city*

The prospect of a city-bike scheme for Waterford city was the subject of an important symposium organised in Waterford today.

Business interests, elected representatives, members of the public and civic society today joined Minister for Public and Commuter Transport Alan Kelly and CEO of the NTA Gerry Murphy at Waterford's Public Bike Symposium.

The Symposium today is the second of four<sup>[1]</sup> taking place following the announcement on 3 November by An Taoiseach and Minister Kelly of the Government's commitment to exploring the rollout of a public bike scheme to regional cities.

A recently published report commissioned by the NTA found that a bike scheme in Waterford is feasible at a scale of between 80-100 bikes at 10 docking stations but will require both public and private funding for it to be delivered.

Speaking today, Minister Kelly said: "Today's symposium is important to articulate all the issues for Waterford, assess the local appetite for a bike scheme, have an informed discussion around funding, site a scheme within Waterford's infrastructure development plans, and bring the views of Waterford's key stakeholders to the table. The Government has given a clear signal that the Programme for Government commitment to explore bringing public bike schemes to our regional cities will be fully implemented. In the current economic climate, Exchequer support to fund a scheme for Waterford is necessarily constrained, so we are seeking private sector partnership to make this a reality."

At today's symposium, Gerry Murphy, CEO of the National Transport Authority (NTA) outlined the potential for a public bike scheme in Waterford indicating that "Waterford has a population of around 60,000 including approximately 14,000 students. The study we commissioned recommends a scheme with 80-100 bikes over 10 docking stations within the city centre and along a route out to Waterford IT which follows Tycor Road and Browns Road also servicing the area of Lismore Park."

Minister Kelly said: "Waterford is well served with innovative, space-efficient cycle parking in the main retail area of the city centre but Waterford City Council has confirmed that cycle flows in the city are generally low. The 2006 census found that just 2% of residents accessed employment or further education by bike. We have to change this. Investment in the necessary infrastructure is happening. Under the Jobs Initiative, this Government has allocated €535,000 to cycle-related projects in Waterford, including €500,000 for the upgrade of cycle tracks, bus routes &

pedestrian crossings, €15,000 for cycle & pedestrian way finding signage and €20,000 for cycle network improvements. Now we just have to get more people back on their bikes!”

Two reports on the feasibility of rolling public bikes schemes to our regional cities were commissioned by the National Transport Authority. One, a technical report considering the potential scope and on-the-ground logistics of schemes in each city and the other, a commercial report considering funding, cost and revenue analysis and options. Reports are available at <http://www.nationaltransport.ie/citybikes.html>

ENDS

Further information:

Sheena Horgan, (085) 7721017.

National Transport Authority. Sara Morris (086) 8585831

Department of Transport, Tourism and Sport Press Office. (01) 604 1076 / (01) 604 1090. Caroline Ryan (086) 8915570.

Notes for Editors:

1. For Waterford the feasibility study recommends a scheme with 80-100 bikes over 10 docking stations within the city centre and along a route out to Waterford IT which follows Tycor Road and Browns Road also servicing the area of Lismore Park. Such a scheme has been initially costed at €830,000 in capital and almost €4m in operating costs over 15 years in addition to the apportioned cost of a national control centre.

Indicative capital costs to set up the schemes in the four proposed cities are challenging at €6.4m with operating costs estimated at €23m over a 15 year period. The €23m would break down at over €7m for Cork and just under €4m for Galway, Waterford and Limerick, with €4.5m control room costs.

2. This year’s National Bike Week 2011 was our most successful ever with great events in Waterford city, such as the Spin to Tramore, the Sunday City Spin and the Comeragh Family Fun Day. In the county events such as the Fenor Family Fun Cycle, the Tramore Bike Workshop and in Dungarvan the Sean Kelly Tour of Waterford Youth Challenge Super Saturday and Dawn Cycle had great participation.

3. The last census showed that over 200,000 of us drive less than 4km to work. To incentivise people to not use their cars, we have to make walkways, cycle paths and the road network more cyclist and pedestrian-friendly. Public bike schemes make cycling more visible and therefore safer, provide more

transport choices in city centres and enhance people's experience of their city, providing a win-win for the public and for business.

4. The National Transport Authority is funding on behalf of the Department projects in Waterford city to a value of €1.87m. €20,000 will be provided for Cycle Network Improvements, €15,000 for Cycle & Pedestrian Way Finding Signage and €500,000 for the upgrading of Cycle Tracks, Bus Routes and Pedestrian Crossings.

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[1] Bike Symposia will also take place in Limerick 14 November and Galway 15 November 2011. Cork's Symposium was held on Monday 7<sup>th</sup> November.

Press release

## **Limerick Public Bike Symposium addressed by Minister Kelly 14 - 11 - 2011**

### **- Symposium looks at feasibility of a bike-rental scheme for Limerick city**

The prospect of a city-bike scheme for Limerick city was the subject of an important symposium organised in Limerick today.

Business interests, elected representatives, members of the public and civic society today joined Minister for Public and Commuter Transport Alan Kelly and CEO of the NTA Gerry Murphy at Limerick's Public Bike Symposium.

The Symposium today is the third of four<sup>[1]</sup> taking place following the announcement on 3 November by An Taoiseach and Minister Kelly of the Government's commitment to exploring the rollout of a public bike scheme to regional cities.

A recently published report commissioned by the NTA found that a bike scheme in Limerick is feasible at a scale of between 135-165 bikes at 20 docking stations but will require both public and private funding for it to be delivered.

Speaking today, Minister Kelly said: "Today's symposium is important to articulate all the issues for Limerick, assess the local appetite for a bike scheme, have an informed discussion around funding, site a scheme within Limerick infrastructure development plans, and bring the views of Limerick's key stakeholders to the table. The Government has given a clear signal that the Programme for Government commitment to explore bringing public bike schemes to our regional cities will be fully implemented. In the current economic climate, Exchequer support to fund a scheme for Limerick is necessarily constrained, so we are seeking private sector partnership to make this a reality."

At today's symposium, Gerry Murphy, CEO of the National Transport Authority (NTA) outlined the potential for a public bike scheme in Waterford indicating that "Limerick has a clearly defined city-centre bounded by Colbert Station and People's Park to the south, the River Shannon to the west and Thomond Bridge to the North. The study we commissioned recommends a scheme with 135-165 bikes over 20 docking stations with the first phase within the city centre and along a route out west to the Institute of Technology and also including the attractive leisure cycling within Shelbourne Park."

Minister Kelly said: "Limerick has a compact city centre but the City Council has confirmed that cycle flows in the city are generally low. The 2006 census found that just 3% of residents accessed employment or further education by bike. We have to change this. Investment in the necessary infrastructure is happening. Under the Jobs Initiative, this Government has allocated €545,000 to cycle-related projects in Waterford, including €120,000 to the Condell Road walking and cycling facility, €100,000 for cycle and pedestrian access ramps, €100,000 for the provision of cycle advance stop lines, €25,000 for pedestrian cycle information and so on. Now we just have to get more people back on their bikes!"

Two reports on the feasibility of rolling public bikes schemes to our regional cities were

commissioned by the National Transport Authority. One, a technical report considering the potential scope and on-the-ground logistics of schemes in each city and the other, a commercial report considering funding, cost and revenue analysis and options. Reports are available at <http://www.nationaltransport.ie/citybikes.html>

ENDS

Further information: Sheena Horgan, (085) 7721017. National Transport Authority. Sara Morris (086) 8585831  
Department of Transport, Tourism and Sport Press Office. (01) 604 1076 / (01) 604 1090.  
Caroline Ryan (086) 8915570.

Notes for Editors:

1. For Limerick the feasibility study recommends a scheme with 135-165 bikes over 20 docking stations within the city centre, with the first phase of the route within the city centre and along a route out west to the Institute of Technology and also including the attractive leisure cycling within Shelbourne Park. If the scheme proves successful, a second phase could extend to Dooradoyle shopping centre and the University.

Such a scheme has been tentatively costed at €1.38m in capital and almost €4m in operating costs over 15 years plus the apportioned cost of a national control centre.

2. This year's National Bike Week 2011 was our most successful ever with great events in Limerick city, such including Evening Cycles, Cycle Information Day, Bike Art Work Shop and the Limerick Bicycle Parade.

3. The last census showed that over 200,000 of us drive less than 4km to work. To incentivise people to not use their cars, we have to make walkways, cycle paths and the road network more cyclist and pedestrian- friendly. Public bike schemes make cycling more visible and therefore safer, provide more transport choices in city centres and enhance people's experience of their city, providing a win-win for the public and for business.

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[1] Bike Symposiums will also take place in Galway on 15 November 2011. Cork's Symposium was held on Monday 7th November, Cork's Symposium took place on 9 November.

**Galway Public Bike SYMPOSIUM addressed by Minister KELLY**  
***Symposium looks at feasibility of a bike-rental scheme for Galway city***

The prospect of a city-bike scheme for Galway city was the subject of an important symposium organised in Galway today. Business interests, elected representatives, members of the public and civic society today joined Minister for Public and Commuter Transport, Alan Kelly, T.D. Galway's Mayor and City Manager and Anne Graham, Director for Public Transport Services at the National Transport Authority, at Galway's Public Bike Symposium held in NUIG.

The Symposium today is the last of four<sup>[1]</sup> taking place following the announcement on 3 November by An Taoiseach and Minister Kelly of the Government's commitment to exploring the rollout of a public bike scheme to regional cities.

A recently published report commissioned by the NTA found that a bike scheme in Galway is feasible at a scale of between 200-250 bikes at 23 docking stations within a 4 square kilometre area centred around the city centre but will require private funding for it to be delivered.

Speaking today, Minister Kelly said: "Today's symposium is important to articulate all the issues for Galway, assess the local appetite for a bike scheme, have an informed discussion around funding, site a scheme within Galway infrastructure development plans, and bring the views of Galway's key stakeholders to the table. The Government has given a clear signal that the Programme for Government commitment to explore bringing public bike schemes to our regional cities will be fully implemented. In the current economic climate, Exchequer support to fund a scheme for Galway is necessarily constrained, so we are seeking private sector partnership to make this a reality."

At today's symposium, Anne Graham of the National Transport Authority (NTA) outlined the potential for a public bike scheme in Galway indicating that "Galway is a relatively cycle-friendly city, well suited to a bike sharing scheme. The study we commissioned recommends a scheme with 200-250 bikes over 23 docking stations. Such a scheme has been tentatively costed at €1.7m in capital and almost €4m in operating costs over 15 years plus the apportioned cost of a national control centre."

Minister Kelly said: "There has been much good work undertaken here in Galway by the Transportation Unit in the City Council to make travel in Galway smarter and the great cycling culture in the city is being built on all the time. Investment in the necessary infrastructure is happening. Under the Jobs Initiative, this Government has allocated €400,000 to a variety of projects here in Galway city including an integrated traffic management control centre, variable message signs, and traffic control upgrades. Funding is also being provided for the Fisheries Field Greenway and the construction of a Greenway from NUIG to Galway Cathedral to tie into the

city's strategic cycling network. Now we just have to get more people back on their bikes!"

Two reports on the feasibility of rolling public bikes schemes to our regional cities were commissioned by the National Transport Authority. One, a technical report considering the potential scope and on-the-ground logistics of schemes in each city and the other, a commercial report considering funding, cost and revenue analysis and options. Reports / further information available at <http://www.nationaltransport.ie/citybikes.html>

ENDS

Further information:

Sheena Horgan, (085) 7721017.

National Transport Authority. Sara Morris (086) 8585831

Department of Transport, Tourism and Sport Press Office. (01) 604 1076 / (01) 604 1090. Caroline Ryan (086) 8915570.

Notes for Editors:

1. For Galway the feasibility study recommends a scheme with 200-250 bikes over 23 docking stations within a 4 square kilometre area centred around the city centre. The study also found that Galway was a relatively cycle-friendly city, well suited to a bikesharing scheme. Such a scheme has been tentatively costed at €1.7m in capital and almost €4m in operating costs over 15 years plus the apportioned cost of a national control centre.

2. This year's National Bike Week 2011 was our most successful ever and Minister Kelly attended the opening event in Eyre Square. The Galway Bike Festival which took place during Bike Week had a diverse array of cycling related activities and was a great success.

3. The last census showed that over 200,000 of us drive less than 4km to work. To incentivise people to not use their cars, we have to make walkways, cycle paths and the road network more cyclist and pedestrian-friendly. Public bike schemes make cycling more visible and therefore safer, provide more transport choices in city centres and enhance people's experience of their city, providing a win-win for the public and for business.

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[1] Bike Symposiums have also taken place in Cork on Monday 7 November, Waterford on 9 November and Limerick on 14 November.

## Draft key messages

On the request of the Department of Transport, Tourism & Sport, the National Transport Authority is considering the introduction of public bike sharing schemes – similar to internationally acclaimed and successful “dublinbikes” – into regional cities.

Minister Alan Kelly and the Department of Transport, Tourism & Sport’s interest in the scheme reflects the government’s commitment to supporting a bike sharing scheme as an initiative that is in the public and commercial interests, and is part of the Programme for Government.

Based on their size, Cork, Galway, Limerick and Waterford have been chosen as potential cities for the schemes.

The potential for such schemes has been assessed in two commissioned reports: a technical report that considers the on-the-ground logistics of the schemes’ possible implementation; and a commercial report that considers funding, cost and revenue analysis and options.

What is evident from both reports is that the commercial viability of the scheme will require a collaborative approach as the dublinbike’s model, whilst successful, was established in a different economic climate and was dependent on strong revenue from advertising in Dublin city.

Some public funding support may be provided but given the current the fiscal constraints, it is deemed necessary to look to the business, civic and city-communities for non-public funding ideas and proposals.

Indicative capital costs to set up the schemes in the four proposed cities are challenging at €6.4 million with operating costs estimated at €23 million over a 15 year period.

There are several potential revenue sources for these schemes, which need to be discussed at a local level with potential collaborators and partners. These include:

It is deemed critical before the schemes can progress, that an open consultation is conducted to establish and collate the views of all stakeholders involved. Four Bike Symposiums will therefore be held in each city to garner ideas, input and support at a local level.

The purpose of the Symposiums will be to inform and engage with interested parties, gauging the appetite locally for the scheme, articulating the issues involved and providing a defined channel via the NTA, which interested parties can utilise to discuss openly and in commercial confidence.

The take up of shared bikes in Dublin - typically nine times a day - is testament to the commercial success of the scheme, along with anecdotal evidence regarding greater awareness of and care being given to cyclists due to their increased visibility.



## **Appendix IV Presentation slides (printed 6-up)**

## **Appendix V Speech notes**

### **Public Bikes Scheme Symposium – Cork**

**Monday 7<sup>th</sup> November 2011**

#### **Opening address by Minister Alan Kelly**

I'd like to begin by adding my welcome and thanks for coming to those of the Lord Mayor Councillor Terry Shannon and the City Manager Tim Lucey.

I won't keep you long because we have a great panel of speakers lined up for this morning who will tease out and bring alive the various elements we all need to consider if we're going to bring a successful public bike scheme to Cork.

What we sought to do by organising this symposium with Cork City Council and the NTA is to inform about what's worked in terms of bike schemes and the benefits they bring to a city, to communicate the issues involved in delivering a scheme and to engage locally with all the stakeholders who may have an interest in seeing a scheme developed for Cork.

As the Taoiseach said when he announced the series of symposiums last week, "this Government believes that public bike schemes in Cork, Galway, Limerick and Waterford would enhance the city centres and provide a great boost to the cycling cultures already developing".

We made a commitment in our programme for Government to explore the extension of the public bike scheme to our regional cities.

Two reports, the contents of which will form key elements of today's proceedings, have already examined the feasibility of extending the schemes to the four cities. They reveal that while operation of a scheme or schemes is feasible, the funding model that makes the scheme work in Dublin won't be readily transferable and alternatives must be found.

Given the current constraints on government funding, we have to look to business, civic and community groups for ideas and proposals. Getting involved in Cork bikes could be a great opportunity for the right partner to get involved and share in the success of what could be an iconic way of travelling in Cork.

Today provides you all with a chance for open discussion, to exchange ideas and to contribute suggestions and opinions. I encourage everyone to join the discussion about the feasibility of setting up schemes and how they will be funded. The reality is that extending the public bike scheme can be a win-win for the public, for business and for sustainable travel.

The sustainable travel and transport agenda is, fundamentally, about the travel choices we make on a daily basis in order that we can get to our destinations. The Dublin Bike Scheme is widely recognised as one of the most successful public bike share schemes in the world with 63,000 subscribers. A total of 2.6m passenger journeys

have been undertaken since the scheme was launched 2 years ago.

We take to the car all the time, even for short journeys. For example, between workers and students, around 400,000 people travel 4 kilometres or less to work or school or college by car every day – distances that are amenable to cycling or even walking. Think of the different country we'd inhabit if only we could shift these people to the bike or on to their feet!

There is some evidence in Dublin of a welcome return to cycling which I am convinced that the dublinbikes scheme has played a role in bringing about. We need to encourage everyone to get out of the car and to cycle, walk, and use public transport to get around. It's not just good for our health, it's also good for our pocket.

This year's National Bike Week 2011 was our most successful ever; hundreds of events taking place throughout the country including great events such as the lunchtime cycle here in the city centre, the Sunday group cycles, one between Carrigaline and Crosshaven and another from Passage West to Blackrock Castle, the Big Charity Bike Ride and the History Rickshaw cycle. That's inspiring. Cycling just makes sense; it's a cheap, healthy way to get around, especially for short-journeys.

This is why the Programme for Government specifically commits to continue to invest in the National Cycle Policy. Even at a time of scarce resources we have to ensure that what is available to invest works best to deliver our objectives. Delivery of public bikes schemes to Cork and the

other cities would make a great contribution to that effort.  
Let's make it work.

## **Public Bikes Scheme Symposium – Waterford**

**Wednesday 9<sup>th</sup> November 2011**

### **Opening address by Minister Alan Kelly**

I'd like to begin by adding my welcome and thanks for coming to those of the Deputy Mayor Councillor Jack Walsh and to thank City Manager Tim Lucey for his hospitality in hosting this symposium.

I won't keep you long because we have a great panel of speakers lined up for this morning who will tease out and bring alive the various elements we all need to consider if we're going to bring a successful public bike scheme to Waterford.

What we sought to do by organising this symposium with Waterford City Council and the NTA is to inform about what's worked in terms of bike schemes and the benefits they bring to a city, to communicate the issues involved in delivering a scheme and to engage locally with all the stakeholders who may have an interest in seeing a scheme developed for Waterford.

As the Taoiseach said when he announced the series of symposiums last week, "this Government believes that public bike schemes in Cork, Galway, Limerick and Waterford would enhance the city centres and provide a great boost to the cycling cultures already developing".

We made a commitment in our programme for Government to explore the extension of the public bike scheme to our regional cities.

Two reports, the contents of which will form key elements of today's proceedings, have already examined the feasibility of extending the schemes to the four cities. They reveal that while operation of a scheme or schemes is feasible, the funding model that makes the scheme work in Dublin won't be readily transferable and alternatives must be found.

For Waterford the feasibility report recommends a scheme with 80-100 bikes over 10 docking stations within the city centre and along a route out to Waterford IT which follows Tycor Road and Browns Road also servicing the area of Lismore Park. Such a scheme has been tentatively costed at €830,000 in capital and almost €4m in operating costs over 15 years plus the apportioned cost of a national control centre.

Given the current constraints on government funding, we have to look to business, civic and community groups for ideas and proposals. Getting involved in Waterford bikes could be a great opportunity for the right partner to get involved and share in the success of what could be an iconic way of travelling in Waterford.

Today provides you all with a chance for open discussion, to exchange ideas and to contribute suggestions and opinions. I encourage everyone to join the discussion about the feasibility of setting up schemes and how they will be funded. The reality is that extending the public bike

scheme can be a win-win for the public, for business and for sustainable travel.

The sustainable travel and transport agenda is, fundamentally, about the travel choices we make on a daily basis in order that we can get to our destinations. The Dublin Bike Scheme is widely recognised as one of the most successful public bike share schemes in the world with 63,000 subscribers. A total of 2.6m passenger journeys have been undertaken since the scheme was launched 2 years ago.

We take to the car all the time, even for short journeys. For example, between workers and students, around 400,000 people travel 4 kilometres or less to work or school or college by car every day – distances that are amenable to cycling or even walking. Think of the different country we'd inhabit if only we could shift these people to the bike or on to their feet!

There is some evidence in Dublin of a welcome return to cycling which I am convinced that the dublinbikes scheme has played a role in bringing about. We need to encourage everyone to get out of the car and to cycle, walk, and use public transport to get around. It's not just good for our health, it's also good for our pocket.

This year's National Bike Week 2011 was our most successful ever; hundreds of events took place throughout the country including great events organised here in Waterford city such as the Spin to Tramore, the Sunday City Spin, the Comeragh Family Fun Day and the Safe Cycling Festival. In the county, events such as the Fenor Family Fun



Cycle, the Tramore Bike Workshop and Training Spin and in Dungarvan the Sean Kelly Tour of Waterford Youth Challenge, Super Saturday and the Dawn Cycle had great participation. That's inspiring. Cycling just makes sense; it's a cheap, healthy way to get around, especially for short-journeys.

This is why the Programme for Government specifically commits to continue to invest in the National Cycle Policy. Even at a time of scarce resources we have to ensure that what is available to invest works best to deliver our objectives. Delivery of public bikes schemes to Waterford and the other cities would make a great contribution to that effort. Let's make it work.

## **Public Bikes Scheme Symposium – Limerick**

**Monday 14<sup>th</sup> November 2011**

### **Opening address by Minister Alan Kelly**

I'd like to begin by adding my welcome and thanks for coming to those of the Mayor, Councillor Jim Long, and to thank City Manager Tom Mackay for his hospitality in hosting this symposium in this lovely venue, the newly refurbished City Gallery of Art.

I won't keep you long because we have a great panel of speakers lined up for this morning who will tease out and bring alive the various elements we all need to consider if we're going to bring a successful public bikes scheme to Limerick.

What we sought to do by organising this symposium with Limerick City Council and the NTA is to inform about what's worked in terms of bikes schemes and the benefits they bring to a city, to communicate the issues involved in delivering a scheme and to engage locally with all the stakeholders who may have an interest in seeing a scheme developed for Limerick.

This Government made a commitment our Programme to explore the extension of the public bikes scheme to our regional cities. As the Taoiseach said when he announced this series of symposiums recently, "this Government believes that public bikes schemes in Cork, Galway, Limerick and Waterford would enhance the city centres and provide a great boost to the cycling cultures already developing".

We have commissioned two reports on the feasibility of extending the schemes, the contents of which will form key elements of today's proceedings. They reveal that while operation of a scheme or schemes is feasible, the funding model that makes the scheme work in Dublin won't be readily transferable and alternatives must be found.

For Limerick the feasibility report recommends a scheme with 135-165 bikes over 20 docking stations with the first phase within the city centre and along a route out west to the Institute of Technology, and also including the attractive leisure cycling facility in Shelbourne Park. If the scheme proves successful, a second phase could extend to Dooradoyle shopping centre and the University.

Such a scheme has been tentatively costed at €1.38 million in capital and almost €4m in operating costs over 15 years, plus the apportioned cost of a national control centre.

Given the current constraints on government funding, we have to look to business, civic and community groups for ideas and proposals. Getting involved in Limerick bikes could be a great opportunity for the right partner to get involved and share in the success of what could be an iconic way of travelling in Limerick.

Today provides you all with a chance for open discussion, to exchange ideas and to contribute suggestions and opinions. I encourage everyone to join the discussion about the feasibility of setting up schemes and how they will be funded. The reality is that extending the public bike scheme can be a win-win for the public, for business and for sustainable travel.

The Dublin Bikes Scheme is widely recognised as one of the most successful public bike share schemes in the world with 63,000 subscribers. A total of 2.6m passenger journeys have been undertaken since the scheme was launched 2 years ago.

The sustainable travel and transport agenda is, fundamentally, about the travel choices we make on a daily basis in order that we can get to our destinations. We often take to the car, even for short journeys. For example, between workers and students, around 400,000 people travel 4 kilometres or less to work or school or college by car every day – distances that are very amenable to cycling or even walking. Think of the different country we'd inhabit if only we could shift these people to the bike or on to their feet!

We are seeing some evidence in Dublin of a welcome return to cycling which I am convinced that the Dublin Bikes scheme has played a role in bringing about. We need to encourage everyone to get out of the car and to cycle, walk, and use public transport to get around. It's not just good for our health, it's also good for our pocket.

This year's National Bike Week 2011 was our most successful ever; hundreds of events took place throughout the country including great events organised here in Limerick city such as the fancy dress bike parade in the city centre, the cycle information day and maintenance workshops, and the family cycle day in the University of Limerick. That's inspiring. Cycling just makes sense; it's a cheap, healthy way to get around, especially for short-journeys.

This is why the Programme for Government specifically commits to continue to invest in the National Cycle Policy. Despite severely constrained Exchequer resources our capital plan provides that we maintain some investment in sustainable travel, especially cycling. Even at a time of scarce resources we have to ensure that what is available to invest works best to deliver our objectives. Delivery of public bikes schemes to Limerick and the other cities would make a great contribution to that effort. Let's make it work.

## **Public Bikes Scheme Symposium – Galway**

**Tuesday 15<sup>th</sup> November 2011**

### **Opening address by Minister Alan Kelly**

I'd like to begin by adding my welcome and thanks for coming to those of the Mayor, Councillor Naughton, and to thank City Manager Joe O'Neill and the NUIG for their hospitality in hosting this symposium here in the Siobhán McKenna Theatre.

I won't keep you long because we have a great panel of speakers lined up for this morning who will tease out and bring alive the various elements we all need to consider if we're going to bring a successful public bikes scheme to Galway.

What we sought to do by organising this symposium with Galway City Council and the NTA is to inform about what's worked in terms of bikes schemes and the benefits they bring to a city, to communicate the issues involved in delivering a scheme and to engage locally with all the stakeholders who may have an interest in seeing a scheme developed for Galway. This Government made a commitment our Programme to explore the extension of the public bikes scheme to our regional cities. As the Taoiseach said when he announced this series of symposiums recently, "this Government believes that public bikes schemes in Cork, Galway, Limerick and Waterford would enhance the city centres and provide a great boost to the cycling cultures already developing".

We have commissioned two reports on the feasibility of extending the schemes, the contents of which are key to today's work. What they show is that while operation of a scheme or schemes is feasible, the funding model that makes the scheme work in Dublin won't be readily transferable and alternatives must be found.

For Galway the feasibility report recommends a scheme with 200-250 bikes over 23 docking stations within a 4 square kilometre area centred around the city centre. It found that Galway was a relatively cycle-friendly city, well suited to a bikesharing scheme.

Such a scheme has been tentatively costed at €1.7 million in capital and almost €4m in operating costs over 15 years, plus the apportioned cost of a national control centre.

Given the current constraints on government funding, we have to look to business, civic and community groups for ideas and proposals. Getting involved in Galway bikes could be a great opportunity for the right partner to get involved and share in the success of what could well become an iconic way of travelling in Galway.

Today provides you all with a chance to exchange ideas and to contribute suggestions and opinions. I encourage everyone to join the discussion about the feasibility of setting up schemes and how they will be funded. The reality is that extending the public bike scheme can be a win-win for the public, for business and for sustainable travel.

The Dublin Bikes Scheme is widely recognised as one of the most successful public bike share schemes in the world with 63,000 subscribers. A total of 2.6m passenger journeys have been undertaken since the scheme was launched 2 years ago.

The sustainable travel and transport agenda is, fundamentally, about the travel choices we make on a daily basis in order that we can get to our destinations. We often take to the car, even for short journeys. For example, between workers and students, around 400,000 people travel 4 kilometres or less to work or school or college by car every day – distances that are very amenable to cycling or even walking. Think of the different country we'd inhabit if only we could shift these people to the bike or on to their feet!

We are seeing some evidence in Dublin of a welcome return to cycling which I am convinced that the Dublin Bikes scheme has played a role in bringing about. We need to encourage everyone to get out of the car and to cycle, walk, and use public transport to get around. It's not just good for our health, it's also good for our pocket.

There has been much good work undertaken by the Transportation Unit in the City Council to make travel in Galway smarter. The great cycling culture here is being built upon all the time.

This year's National Bike Week 2011 was our most successful ever; hundreds of events took place throughout the country and it was all kicked off here at the National Bike Week Opening Event in Eyres Square which I was delighted to be able to attend. The Galway Bike Festival with its diverse array of cycling related activities caught the imagination of many and got many more back on their bikes. That's inspiring. Cycling just makes sense; it's a cheap, healthy way to get around, especially for short-journeys.

This is why the Programme for Government specifically commits to continue to invest in the National Cycle Policy. Despite severely constrained Exchequer resources our capital plan provides that we maintain some investment in sustainable travel, especially cycling. Even at a time of scarce resources we have to ensure that what is available to invest works best to deliver our objectives. Delivery of public bikes schemes to Galway and the other cities would make a great contribution to that effort. Let's make it work.

## Appendix VI Regional stats and notes

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<sup>i</sup> Project Report 112411

## Hugh Creegan

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**From:** Hugh Creegan  
**Sent:** 07 November 2012 17:57  
**To:** Jim McGrath (jamesmcgrath@dttas.ie)  
**Cc:** 'BEHAN Laura'  
**Subject:** Regional Cities Bike Schemes

Jim,

The position in relation to the Regional Cities Bike Schemes is as follows:

### **Technical Workstream**

1. A tender process was undertaken by the NTA and Arup Consulting Engineers were appointed during October to do the following tasks:
  - a. Review the preliminary design work undertaken last year;
  - b. Supplement with additional analysis as required to conclude the scheme size and station location decisions;
  - c. Prepare the scheme design – layouts of bike stations, technical design of scheme and bikes, etc;
  - d. Carry out utility and ground conditions investigations;
  - e. Prepare tender documents for a supply, install and maintain contract; and
  - f. Assist in administering the procurement of a bike supplier/operator under that supply, install and maintain contract.
2. Work has started on the above in three of the four cities – Galway, Cork and Limerick. We will await starting the technical work in Waterford until later. Documentation for each of the three cities will be developed on an individual city basis but will be capable of amalgamation into a combined cities' document; and
3. The timeline is to have technical tender documents for a supply, install and operate ready for issue at end February/early March of next year. Decisions of whether and what to issue can be made then.

### **Legal Workstream**

1. Our legal advisers have done some work in terms of the process and, in particular, whether or not the process constitutes a procurement that falls under the Procurement Directives. Their conclusion is that, on balance, it is not subject to the Procurement Directives. This is significant as it provides greater flexibility to run the competition and to negotiate and award a sponsorship deal; and
2. They will shortly start work on developing the draft sponsorship contract.

### **Commercial Workstream**

Given the nature of this sponsorship deal, we have brought on board Ernst & Young to provide some assistance in the commercial area. They are currently working up with us the competition rules, particularly in terms of what type of entities will be acceptable and what ones won't. This is a difficult area as many of the decisions are subjective – are beer companies allowed to be sponsors; are betting companies allowed to be sponsors, are brand medicines allowed to be sponsors, etc. The legal advice is that we must establish a framework in advance of the process and include and exclude applicants based on that pre-defined framework. We are getting some guidance on these issues from other jurisdictions and from places like the Broadcasting Authority of Ireland.

As previously advised, our intention is to run a two stage process – the first stage inviting formal expressions of interest and the second stage seeking the monetary (and other) proposal. Because the first stage will be used to exclude "unsuitable" participants, we need the framework for deciding that to be finalised in advance of seeking sponsor applications, and notified to intending applicants.

We will have that sorted out at the end of next week and will issue the stage 1 "request for expressions of interest" document on Monday 26<sup>th</sup> November. This will include a background information document plus an applicant questionnaire. We will allow three weeks for submissions to be received – either Friday 14<sup>th</sup> December or Monday 17<sup>th</sup> December. Upon receipt we will assess on a pass/fail basis.

Those applicants who pass, will be issued the formal “tender” forms to propose the detail of their sponsorship bid. Given the intervention of Christmas, I would envisage issuing the formal sponsorship tender documents in January with a return in February. We then have the sponsorship proposals available to us just prior to making a decision on issuing the separate supply, install and operate tender documents. In terms of actually signing the sponsorship deal, we need to work out exactly how that coordinates with the supply, install and operate contract.

If you need more let me know.

Regards,

Hugh





## **Invitation for Expressions of Interest**

**for the**

## **Provision of Sponsorship to Public Bike Schemes in the Regional Cities**

National Transport Authority  
Dun Scéine  
Harcourt Lane  
Dublin 2

November 2012

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## **1 Background**

### **1.1 National Transport Authority**

The National Transport Authority (the “Authority”) is a State body set up under statute in 2009, and established in December 2009. The role and functions of the Authority are set out in three Acts of the Oireachtas; the Dublin Transport Authority Act 2008, the Public Transport Regulation Act 2009 and the Taxi Regulation Act 2003.

The Authority has responsibility for securing the provision of public passenger land transport services including the provision of subvented bus and rail services. The Railway Procurement Agency manages the operation of the Luas light rail service on assignment from the Authority. In addition the Authority also licenses public bus passenger services and has responsibility for the regulation of the small public service vehicle sector (i.e. taxis, hackneys and limousines). The Authority also has responsibility for the development of an integrated transport system within the Greater Dublin Area (GDA). The principal functions of the Authority with respect to the GDA are:

- strategic planning of transport;
- development of an integrated, accessible public transport network;
- promoting cycling and walking;
- provision of public transport infrastructure generally including light rail, metro and heavy rail; and
- Effective management of traffic and transport demand.

In addition, the Authority also manages, on an administrative basis, a number of funding programmes on behalf of the Department of Transport, Tourism and Sport. These include:

- Regional Cities Programme;
- Accessibility Programme; and
- Rural Transport Programme.

### **1.2 Definition of a Bike Scheme**

A bicycle sharing scheme typically consists of a fleet of bicycles that can be picked up by users from docking points at docking stations located throughout the designated region and returned to any other station. They are mostly intended for short-term, urban journeys. Users register to avail of the system and are charged various fees depending on the duration of usage of the bicycle. A large number of these schemes are in operation worldwide with different funding models.

Bicycle schemes allow people to travel around city centres in a quick and inexpensive manner, avoiding urban traffic congestion. Such schemes have been introduced in several European cities and are popular for a variety of travel purposes including travel to/from rail and bus stations, commuting, education, shopping, travel in the course of business and leisure.

## **2 Proposed Bike Schemes**

### **2.1 Introduction**

Following the success of the public bicycle sharing scheme ('bike scheme') introduced in Dublin in 2009 ('dublinbikes') and under instruction from the Minister for Public and Commuter Transport, the Authority, working in conjunction with the Department and the local authorities, proposes to introduce similar schemes in Cork, Limerick, Waterford and Galway, subject to funding availability and normal project evaluation processes.

It is intended that the bike schemes would be delivered through a supply, install and maintain contract, which will be separately procured to install the bike scheme in the contracted cities and operate the scheme for the period of the contract. It is envisaged that the required capital expenditure for the set-up of each scheme would be provided by the Authority on behalf of the Department of Transport, Tourism and Sport. For the avoidance of doubt this document is only concerned with the potential sponsorship of the bike schemes and not their operation.

In respect of each city, the proposed layout (subject to change) of the schemes is described in the following sections. Updated information will be provided at the next stage of this sponsorship competition.

### **2.2 Cork**

As proposed, docking stations for the scheme would be located in a linear pattern with the main catchment area being University College Cork in the west of the city linked to the train station east of the city centre. This would successfully target city centre users, while also providing a service for the high numbers of tourists and students in the area. There are no docking stations proposed for the north of the city given the generally steep terrain.

### **2.3 Galway**

The proposed scheme for Galway would encompass the city centre serving tourists and residents alike. There is potential for a subsequent expansion south-west of the city centre towards Salthill, enabling an increased profile for sponsors due to the high number of residents already regularly cycling in the area.

### **2.4 Limerick**

The proposed scheme for Limerick city extends from Limerick Institute of Technology in the northwest to Colbert Station in the centre, with a relatively high density of docking stations. The target customer base here would encompass residents, tourists and students. The possible expansion of the scheme to include linkages to Limerick University will be examined as part of the ongoing technical development.

## 2.5 Waterford

Waterford is a more compact city and as such, a smaller number of docking stations has been proposed for the city centre. A potential subsequent extension, which would cover a 2.5km distance southwest to Waterford Institute of Technology, would have potential to capture additional student users and increase commercial exposure.

## 2.6 Maps

Maps providing a visual reference for the location of the proposed scheme in each city are set out in Appendix 1. Please note these layouts are indicative and the location and structure of the bike scheme may change during the further development of the project.

## 2.7 Key City Statistics

Indicative population figures for the Irish cities and the proposed public bike schemes in respect of each location are as follows:

	Cork	Galway	Limerick	Waterford
Estimated population	150,000	100,000	100,000	60,000
Of which students (approx.)	30,000*	25,000	20,000	14,000
Average annual number of tourists	950,000	860,000	330,000	200,000
Proposed number of bicycles	235-265	200-250	135-165	80-100
Proposed number of docking stations	25	23	20	10
Average docking points per station	20	15-20	10-15	15
Estimated number of scheme subscribers	2,250	1,500	1,500	900
Average number daily rentals per bike	3	2	1.5	1.5

*Source: 'Proposals for Introducing Public Bike Schemes in Regional Cities', Jacobs Engineering on behalf of the NTA; NTA figures.*

### **3 Current Status of Scheme Development**

An initial feasibility study was completed in 2011 setting out preliminary proposals for the introduction of a bike scheme into each of Cork, Galway, Limerick and Waterford. Copies of a commercial and a technical report completed as part of that feasibility study are available on the Authority's website at [www.nationaltransport.ie](http://www.nationaltransport.ie)

Links are: <http://nationaltransport.ie/downloads/Bike-Scheme-Technical-Report.pdf>  
<http://nationaltransport.ie/downloads/Bike-Scheme-Commercial-Report.pdf>

The Authority has now engaged technical consultants to assist it in further progressing those feasibility studies and to complete a scheme design for each city. In addition, this work will include the preparation of tender documents for the procurement of a bike scheme operator who would supply, install and operate the bike scheme in each city. Subject to funding, the Authority anticipates being in a position to appoint a bike scheme operator for each city in the second half of 2013.

It is currently intended that the contracting party for the bike schemes will be the Authority acting on behalf of the Department, but the exact arrangements are subject to final determination.

## **4 Proposed Sponsorship Arrangements**

### **4.1 Proposed Sponsorship**

In order to defray the operational costs of the schemes, the Authority, acting on behalf of the Department of Transport, Tourism and Sport, is seeking proposals from commercial interests for the provision of sponsorship for the regional city bike schemes for an agreed period of time. It is envisaged that, for an appropriate sponsor, the sponsorship contract for each city would allow:

- Naming rights to the bike scheme;
- Advertising/branding on the bicycles; and
- Advertising/branding at bike station locations.

For the purposes of this sponsorship competition, each city will be available for sponsorship on an individual basis. Potential sponsors will be able to propose a sponsorship arrangement for just one city or for two or more cities.

In terms of likely duration, the suggested period of sponsorship is proposed to be between three and five years. However, alternative periods may be considered.

### **4.2 Characteristics of the Proposed Schemes**

The Authority has established a number of key values attributable to the bike schemes set out as follows:

Sustainability	The encouragement of the use of more sustainable modes of transport. The credentials of cycling in reducing car usage, carbon emissions and congestion, reinforces the sustainable image of the scheme
Economic viability	Promoting cycling as a means of travel for work, education, business, shopping or leisure reasons reflects the changed circumstances many face as a result of the current economic conditions
Mobility	Providing a practical way to get around the city centre will increase mobility, regardless of whether the scheme users are already resident in the city centre or have arrived there by bus, rail or private car. The scheme will provide a practical integrating link between existing bus and rail services
Inclusivity	The scheme will be equally available to all age and socio-economic groups
Lifestyle and health	The bike scheme will promote a healthier lifestyle and provide all users with an opportunity to integrate exercise into transport
Tourist friendly	The scheme will offer a cost-effective urban transport method for tourists



Some or all of the bike scheme attributes should be considered in the context of the brand values of the potential sponsors.

### **4.3 Excluded Sponsorship Products and Services**

In accordance with the bike scheme attributes and having regard to relevant legal requirements, the sponsorship contract would exclude direct association with the following products or services:

- Tobacco products, as they are not in keeping with the attributes of the scheme and prevented by the Public Health (Tobacco) Act, 2002;
- Alcoholic products, as they are not in keeping with the attributes of the scheme; and
- Politically associated purposes or campaigns.

In addition, the Authority expressly reserves the right to exclude candidates at its sole discretion where it is deemed that the Applicant would not be an appropriate fit with the attributes of the bike scheme or where it is considered by the Authority that there is a risk of damage to the reputation of the Authority, the Department of Transport, Tourism and Sport, or any local authority in whose functional area the bike scheme may be located in concluding a sponsorship contract with the Applicant.

## **5 Administrative Requirements**

### **5.1 Overall Approach**

The Authority intends to follow the procedure specified below when receiving proposals from potential sponsors.

### **5.2 Deadline for Receipt of Requests to Participate**

Entities who wish to be considered as potential sponsors of the bike schemes are required to submit a completed application in the prescribed form set out in Appendix II, by no later than **5:00 p.m. on Tuesday, 18<sup>th</sup> December 2012**.

The onus is on candidates to ensure their application form has been received before the specified date and time. Proposals should be sent to the following address marked for the attention of Bernard Rennick:

Bernard Rennick,  
National Transport Authority,  
Dún Scéine, 4<sup>th</sup> Floor,  
Iveagh Court,  
Harcourt Lane,  
Dublin 2.

The Authority will, together with its advisers, evaluate all submitted applications and assess the suitability of each candidate for inclusion in the next phase of this sponsorship competition process.

The Authority reserves the right to adapt or modify this proposal invitation document and the process at any time.

### **5.3 Procedure**

The Authority intends to operate a two stage process in relation to this sponsorship competition. The two stages are:

#### Stage 1:

Potential sponsors are invited to submit completed application forms indicating their interest in sponsoring one of more of the four regional cities' bike scheme. The application form is provided as Appendix 2.

Following receipt of these submissions, the Authority will, subject to its rights and discretions as set out in these Instructions, assess the application forms received, and select those applicants considered suitable for participation in the next phase of the process.

The Authority expressly reserves the right to require an Applicant to provide additional information in the next stage and also information which may supplement or clarify any of the information

provided in response to the request set out in this document. The Authority may seek independent financial and market advice to validate information declared, or to assist in the evaluation.

Progression to the next stage should not be taken as an acceptance by the Authority of any of the information provided in response to this document or as acceptance of the suitability of the Applicant.

#### Stage 2:

The Authority proposes to invite the submission of detailed sponsorship proposals from the selected applicants. A draft form of Sponsorship Contract will be issued by the Authority as part of this Stage 2 process.

Following receipt of the detailed sponsorship proposals, the Authority proposes to select a preferred sponsor for each city bike scheme with whom it will seek to conclude a sponsorship contract. However, the Authority reserves the right to seek best and final offers from a number of the potential sponsors.

### **5.4 Selection of Applicants for Stage Two**

The assessment criteria for selection of potential sponsors to be invited to submit detailed sponsorship proposals are:

Following receipt of the submissions from potential sponsors, each submission will be assessed as followed:

1. Confirmation of compliance of the submission with these Instructions; and
2. Assessment of whether the sponsorship proposal is one of the excluded categories listed in Section 4.3 or whether the proposal would not be an appropriate fit with the attributes of the bike scheme or where it is considered by the Authority that there is a risk of damage to the reputation of the Authority, the Department of Transport, Tourism and Sport, or any local authority in whose functional area the bike scheme may be located in concluding a sponsorship contract with the Applicant.

Both of the above criteria will be assessed on a pass/fail basis.

Following the above assessment, candidates who have received a “pass” assessment under both criteria will be selected for stage two of the competition. Those successful applicants will be subsequently invited to submit detailed sponsorship proposals.

### **5.5 Proposal Costs**

Potential sponsors shall bear all costs associated with the preparation and submission of their proposals. The Authority shall not be responsible and/or liable to pay for any costs, expenses or losses which may be incurred in the preparation or submission of its proposal or in relation to any interviews, proposals, clarifications or additional information associated with the evaluation of

submitted proposals that may arise following submission, regardless of the conduct or outcome of the proposal submission process.

The Authority reserves the right to abandon or alter this process and may award a contract(s) in whole, in part, or not at all as a result of the request for proposals and the Authority shall not be liable for any costs or expenses incurred by any Applicants in considering and/or responding to the process.

## **5.6 Query Process**

Any queries regarding this sponsorship competition should be directed to the Authority at [bikeschemes@nationaltransport.ie](mailto:bikeschemes@nationaltransport.ie)

Queries should be submitted no later than three days before the stipulated deadline for receipt of completed applications set out in section 5.2.

## **5.7 Change in circumstances**

If, as a result of a change in circumstances or otherwise, any information given by a potential sponsor in a proposal, request to participate submission or otherwise, was (when submitted) or has become (by reference to the facts as they then stand) untrue, incomplete or misleading, the potential sponsor must so inform the Authority as soon as it becomes aware of this. The Authority reserves the right, at its absolute discretion, to withhold approval for any such changes and to disqualify the potential sponsor from further participation in the procurement process.

If it comes to the Authority's attention that:

- there has been a change in circumstances concerning a potential sponsor that could affect the assessment of that potential sponsor's proposal or a decision that the potential sponsor has qualified to have its proposal assessed; or
- information submitted by a potential sponsor was (when submitted) or has become (by reference to the facts as they then stand) untrue, incomplete or misleading,

the Authority may (but is not required to) revise its assessment of the potential sponsor's proposal or whether that proposal can be included in the evaluation on the basis of the information then available to the Authority.

## **5.8 Non-compliant Submissions**

Proposals must be submitted in accordance with these Instructions. The Authority's decision on whether a proposal is compliant will be final.

If a proposal fails to comply in any respect with the requirements set out in these Instructions, the Authority shall be entitled (but shall not be obliged) to take such action as is considered appropriate, including (but not limited to):

- rejecting the relevant proposal as non-compliant;

- without prejudice to the Authority's right to reject the proposal:
  - (i) meeting with, raising issues and/or seeking clarification from the potential sponsor in respect of the relevant proposal;
  - (ii) requesting the potential sponsor to provide information or items which has/have not been provided or has/have been provided in an incorrect form;
  - (iii) waiving a requirement which, in the Authority's opinion is minor or procedural; and or
  - (iv) amending the relevant requirements of these Instructions and inviting potential sponsors to adjust their proposals on the basis of such revised requirement.

## **6 GENERAL PROVISIONS**

### **6.1 Freedom of Information Act Requirements**

The Authority and the Department of Transport, Tourism and Sport are subject to the provisions of the Freedom of Information Acts. Therefore, where potential sponsors consider any information they provide in the course of this process to be commercially sensitive or confidential in nature, the Authority shall be so advised and the reasons specified. The nature of the documentation may then be taken into account by the Authority or the Department of Transport, Tourism and Sport in considering requests, if any, for access to such information under the Freedom of Information Acts.

Potential sponsors shall note, on conclusion of the Contract, that the Contract and associated documents will be open to public examination to the extent required by the Freedom of Information Acts or any act amending or replacing it.

The statutory requirements of the Freedom of Information Acts will, in all circumstances, supersede all the stated requirements of the various parties.

### **6.2 Conflict of interest**

Any conflict of interest or potential conflict of interest must be fully disclosed to the Authority as soon as such conflict or potential conflict becomes apparent. In the event of any conflict or potential conflict of interest, the Authority shall, in its absolute discretion, decide on the appropriate course of action.

### **6.3 Tax Clearance Status**

In line with general public sector arrangements, it will be a condition of the awarding of a sponsorship contract that the successful potential sponsor is able to promptly provide a valid tax clearance certificate in respect of the entity proposing to enter into the sponsorship contract.

### **6.4 Disclaimer**

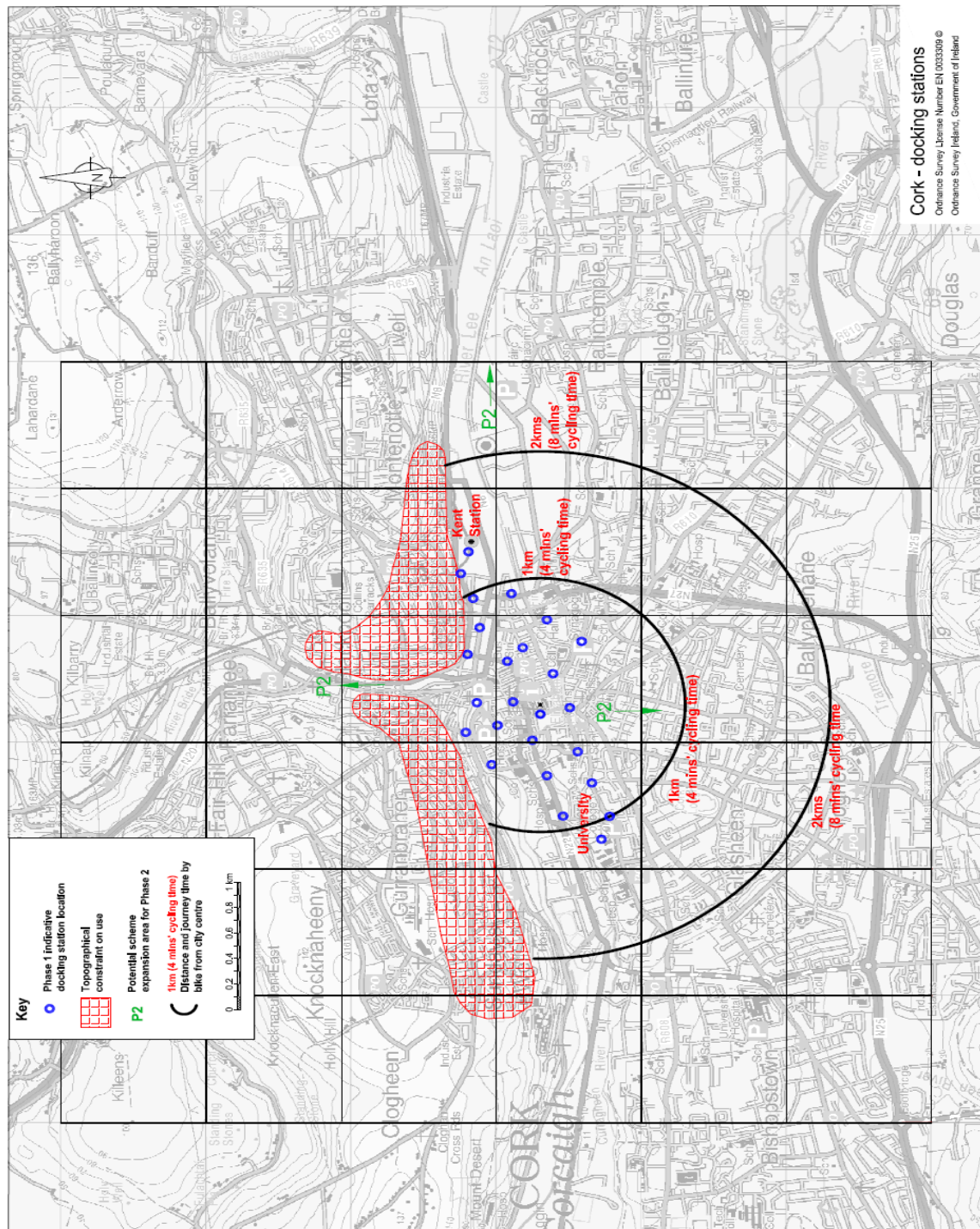
The Authority makes no representation, warranty or undertaking in or in connection with these documents. The Authority has not authorised anyone to make any representation in connection with these documents on its behalf, and Applicants should not rely on any representation purportedly made on the Authority's behalf in connection with them. Neither the Authority nor the Department of Transport, Tourism and Sport nor their officers, employees, or advisers will have any liability in connection with these documents. Applicants must make their own assessment of the adequacy, accuracy, and completeness of these documents.

## **Appendix A**

### **Proposed Layout Diagrams**

**(Layouts are indicative only and are subject to change as part of the ongoing scheme development)**

## Regional City Bike Scheme- Cork

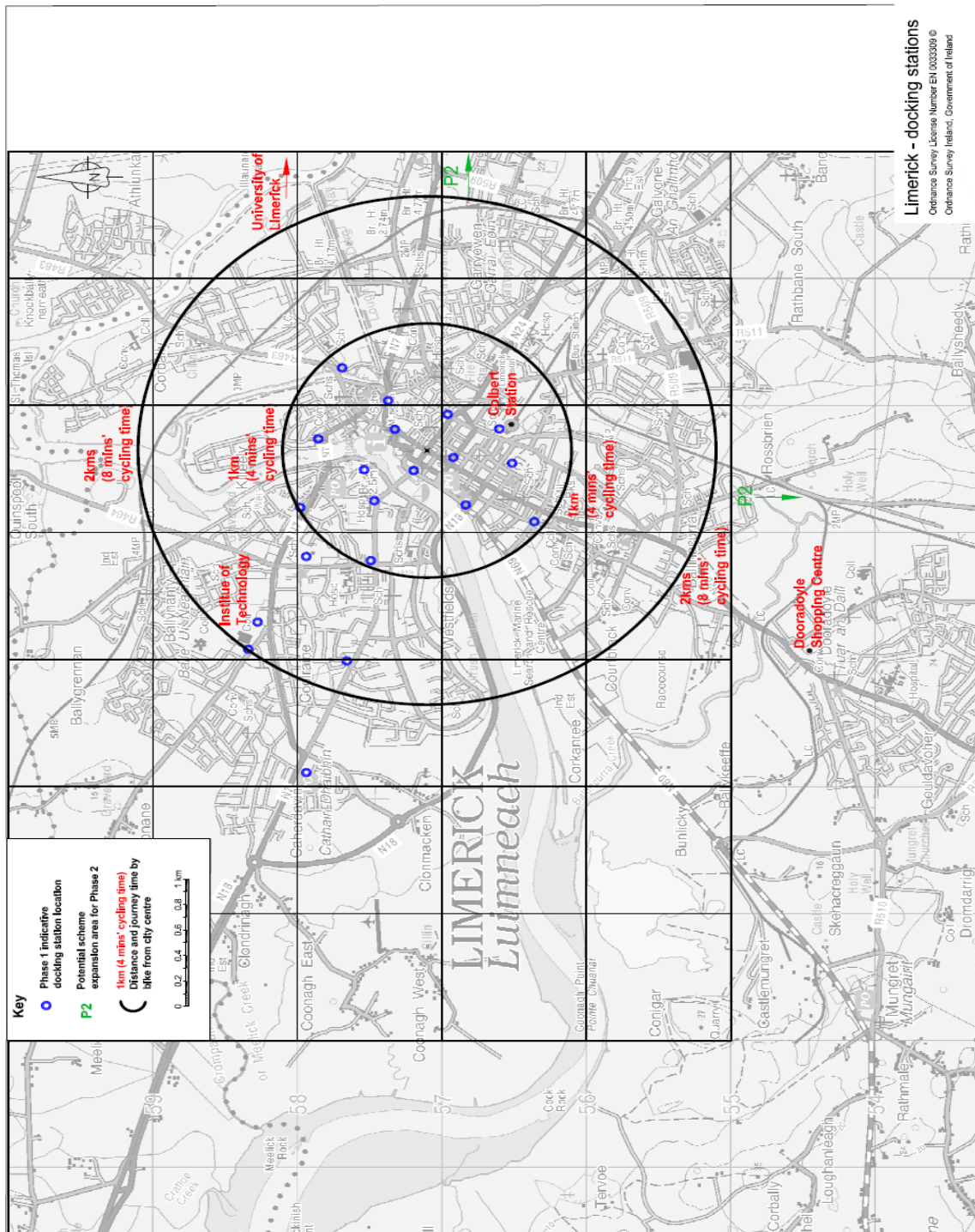


Source: Proposals for Introducing Public Bike Schemes in Regional Cities- Jacobs Engineering / NTA.



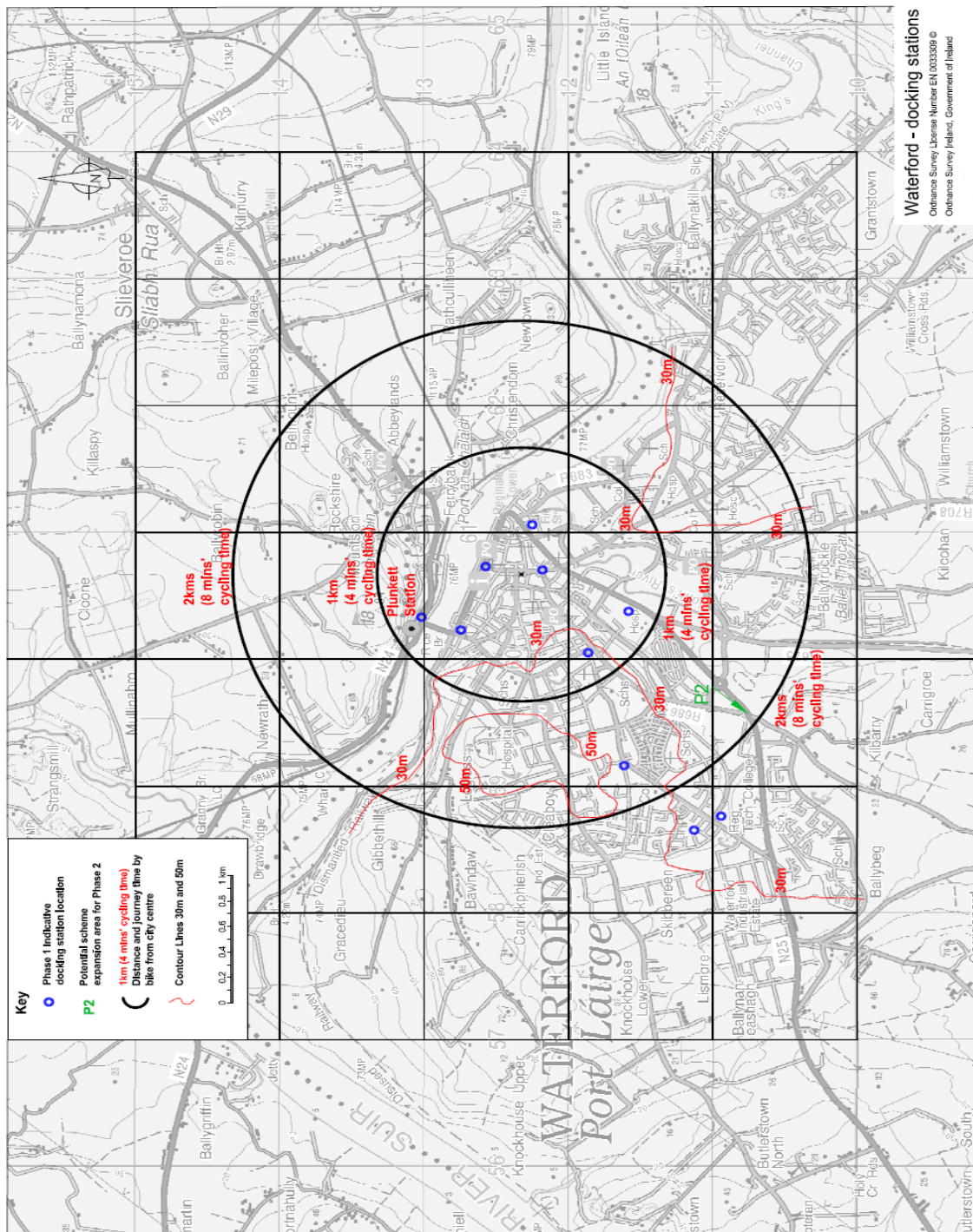


## Regional City Bike Scheme- Limerick



Source: Proposals for Introducing Public Bike Schemes in Regional Cities- Jacobs Engineering / NTA.

## Regional City Bike Scheme- Waterford



Source: Proposals for Introducing Public Bike Schemes in Regional Cities- Jacobs Engineering / NTA.

## **Appendix B**

### **Sponsorship Application Form**



## SPONSORSHIP APPLICATION DETAILS

### Contact Information

Name of Company \_\_\_\_\_

Postal Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Name of Contact Person: \_\_\_\_\_

Contact email address: \_\_\_\_\_

Contact telephone number \_\_\_\_\_

### Proposed Sponsor Information

Name of Proposed Sponsor Company \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Product brand (or brands) proposed to be associated with bikes schemes:

\_\_\_\_\_

Please provide the identity of any associated advertising agency, if applicable:

\_\_\_\_\_

Which bike schemes do you wish to consider submitting a sponsorship proposal for in the next stage of this sponsorship competition and what order of preference? *Tick the relevant cities in the first column – all cities may be selected. Insert 1, 2, 3 or 4 in the second column.*

#### Cities of Interest

#### Order of Preference

☐

Galway

☐☐

Cork

☐☐

Limerick

☐☐

Waterford

☐

**The following items may be provided on separate pages or in a separate document.**

Proposed Sponsor Company:

Details of Proposed Sponsor Company including:

- Information on the nature of the company's business;
- Nature of company (e.g. public limited company, unlimited company, etc);
- Details of where the company is registered;
- General description of corporate structure relating to the company proposing to provide the sponsorship (parent company, subsidiary, etc) ; and
- Details of the product brand (or brands) proposed to be associated with bikes schemes including a description of the brand(s) values and how they align with, or are not in conflict with, the objectives and attributes of the bikes schemes.

Experience

- Please provide information of your experience of previous significant sponsorship arrangements in the public domain.

Ethics

- Please provide a statement that defines your ethical code of practice.

Special Requirements

- Please indicate:
  - Any preferences in relation to the means of advertising products or services on the bikes;
  - Any preferences in relation to the means of advertising products or services at bike docking stations;
  - Your views on whether the colour of the bicycles should be included in the sponsorship contract; and
  - Any other particular requirements.

(Please note that the Authority reserves the right to determine the final permitted arrangements and does not commit to accepting any indicated preferences.)

Term and Conditions

- Please indicate your view of the optimum length of the sponsorship contract. Please indicate any other conditions you may wish to bring to the Authority's attention.

Signature:

Print name of signatory:

Capacity or authority of signatory:

Dated the \_\_\_\_\_ day of \_\_\_\_\_ 2012