

**REPORT TITLE: Gloucestershire E-Scooter Trial**

<b>Dates between which decision will be taken</b>	Earliest date: 15/03/23 Latest date: 31/03/23
<b>Cabinet Member</b>	<b>Councillor David Gray; Cabinet Member for Environment and Planning</b>
<b>Key Decision</b>	Yes
<b>Purpose of Report</b>	To seek approval to undertake a procurement process for the appointment of a contractor to deliver the Gloucestershire's E-Scooter Trial.
<b>Recommendations</b>	<p>That the Cabinet Member for Environment and Planning:</p> <ol style="list-style-type: none"> <li>1) Agrees to the Council's continuing participation in Department for Transport national e-scooter Trial.</li> <li>2) Delegates authority to the Executive Director: Environment, Economy and Infra-structure, in consultation with the Cabinet Member for Environment and Planning to: <ol style="list-style-type: none"> <li>a. Conduct a competitive procurement process in respect of a concession contract to deliver the Gloucestershire E-Scooter Trial for an initial period of 12 months and include an option to extend its term for a further two periods of one year on its first and second anniversary (i.e. 1+1+1 years);</li> <li>b. Award such concession contract to the preferred tenderer; and</li> <li>c. Determine whether to exercise each of the options to extend the concession contract for a further period of one year on its first and second anniversary.</li> </ol> </li> </ol>

<p><b>Reasons for Recommendations</b></p>	<ul style="list-style-type: none"> <li>- The Department for Transport (DfT) extended the national e-scooter trial from November 2022 until May 31<sup>st</sup> 2024. This means that the council needs to put in place longer term arrangements for e-scooter provision in the county.</li> <li>- Due to the value of the proposed concession contract it is recommended that a full tender process takes place in order to ensure compliance with UK procurement law.</li> <li>- The current trial has been operating for 24 months. During this time e-scooters have become an integral component of the sustainable transport offer in Cheltenham and Gloucester, used daily by many residents and visitors. Therefore, continuity of service is essential for Gloucestershire e-scooter users and to support the DfT trial.</li> </ul>
<p><b>Resource Implications</b></p>	<ul style="list-style-type: none"> <li>- The E-scooter trial is a concession contract whereby the provider takes responsibility for all aspects of the service including public liability insurance and financial risk. As the council is not required to pay for the service this decision will have minimal impact on council budgets other than requiring a small proportion of officers' time for contract management, agreeing parking bay locations and managing ad-hoc enquires.</li> <li>- The Gloucestershire E-scooter operator must adhere to DfT's guidelines regarding compliance on data, monitoring, safety, e-scooter specification, and operating within the trial area. Monthly reports are sent by the e-scooter operator to DfT, council officers and local stakeholders.</li> </ul>
<p><b>Background Documents</b></p>	<p>The E-scooter trial and operator will ensure compliance with the following legislation: <i>Electric Scooter Trials and Traffic Signs (Coronavirus) Regulations and General Directions 2020/663</i> <a href="#">here</a>, which came in to force on July 4<sup>th</sup> 2020.</p> <p>Department for Transport E-Scooter Trial areas and information here and current evaluation <a href="#">here</a></p>
<p><b>Statutory Authority</b></p>	<p>Department for Transport and current trial and planned legislation <a href="#">here</a> .</p>
<p><b>Divisional Councillor(s)</b></p>	<p>Cheltenham: Cllr Matt Babbage, Cllr Colin Hay, Cllr Roger Whyborn, Cllr Paul Baker, Cllr Suzane Williams, Cllr Tim Harman, Cllr Stephan Fifield, Cllr Dr David Willingham, Cllr Bernard Fisher,</p> <p>Gloucester: Cllr Sajjid Patel, Cllr Pam Tracey, Cllr Jeremy Hilton, Cllr Kathy Williams</p>
<p><b>Officer</b></p>	<p><b>Any representations for draft Gloucestershire E-Scooter trial report should be sent to:</b></p> <p>Name: Jo Atkins  Email: <a href="mailto:jo.atkins@gloucestershire.gov.uk">jo.atkins@gloucestershire.gov.uk</a></p> <p>By 5pm, 14 March 2023</p>

<b>Timeline:</b>	March 2023 – Publication of tender documents March 2023 – Deadline for return of tenders April /May 2023 – Award contract, set up commission and mobilisation June 2023 – Contract commencement
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## Background

- 1.1 Gloucestershire County Council (GCC) has been participating in the Department for Transport's (DfT) national-scooter trials since August 2020. It agreed to trials in Cheltenham and Gloucester to support the economy at a time when social distancing rules were in place to reduce the spread of Covid-19 and public transport capacity was severely reduced. Originally this trial was due to end on 31 October 2022, however last year the DfT confirmed it would be extended to 31<sup>st</sup> May 2024. The Gloucestershire e-scooter trial service has been delivered by a company, called 'Zwings' and now owned by Zeus Ltd Trading (Zeus Ltd Trading have kept the 'Zwings' operating name for Gloucestershire).
- 1.2 The Gloucestershire trial areas are located in Cheltenham and Gloucester. They are legally defined in a Vehicle Special Order (VSO) by the DfT, which must remain fixed for the duration of the trial period. There are no plans to change these boundaries by the DfT, to ensure that data is comparable nationally. The Gloucestershire e-scooter service now provides 310 scooters at 170 bays.
- 1.3 Since September 2020, 349,916 e-scooter trips have been made, equating to a total ride length of just over one million kilometres. This has made a positive contribution to the County's carbon net zero targets saving approximately 80 tonnes of CO<sub>2</sub> compared to journeying in an average diesel car.
- 1.4 Throughout the e-scooter trials, councils are not expected to pay for the service as costs are covered by the operator which receives payment directly from users. Nevertheless, the estimated revenue of £750k per annum from this concession contract means that it is in the public interest to conduct a competitive procurement.
- 1.5 This report seeks approval to procure an e-scooter operator to provide the Gloucestershire e-scooter service for the remaining 12 months of the DfT trial from 1<sup>st</sup> June 2023 to 31<sup>st</sup> May 2024.
- 1.6 A new concession contract will be procured to secure the service at its current level for the remainder of the trial period and to give bidders the opportunity to make enhancements. Social value and carbon net zero targets will be included in compliance with GCC procurement and DfT policy.
- 1.7 The concession contract will include two options to extend the trial e-scooter service for one year each (i.e. up to a maximum of 3 years, including the initial term). This provides flexibility to the council in the event of further changes to the DfT's timeline for the national trial and potential legalisation.
- 1.8 At present we do not know the details of the government's proposals to legalise the use of e-scooters in 2024 or exactly when they will come into effect. This creates a risk to bidders and may have a material impact on the viability of their concession contract with the council after this date. Having the option of annual extensions will help the council and operator to monitor the situation and provide some flexibility to plan ahead accordingly. Bidders will be asked to provide details

of any social value benefit or proposed level of investment in the County over the contract period.

### Options:

The Strategic Procurement team has advised that there is only one compliant procurement route available for this type of concession contract. Please see summary of options below:

**Option 1. Do nothing –end trial after 31<sup>st</sup> March 2023:**

A de-mobilisation period would be needed and the DfT informed.

Potential reputational damage with the local community, especially local residents who now use trial e-scooters as a form of daily sustainable transport as part of a wider Climate change and decarbonisation agenda. This option would also potentially undermine the national trial and GCC's relationship with DfT, as well as limiting residents' options to use e-scooters as an integral sustainable service diversifying the County's sustainable travel service.

**Not recommended**

**Option 2: Offer direct award option to current supplier**

Due to the value of the concessionary contract, as well as risk of scrutiny of the trial, Procurement and Legal services advised this approach was not compliant with UK Procurement law and therefore open to risk of challenge.

**Not recommended**

**Option 3: Conduct a full Competitive tender process:**

Due to the high value of the concession contract and potential interest from other providers, a full tender process would be the best route to ensure a more equitable and inclusive opportunity for more providers to bid for this contract whilst meeting the quality of service and social value indicators set.

**Recommended option**

### Risks:

#### 1. Insurance/Safety:

- 1.1 The successful commissioned operator will agree to compliance with the DfT's operating requirements and data compliance as well as with the council's own requirements as the Local Highway Authority, in particular risk management and safety policies covering the use of e-scooters on public highway and the provision of parking bays on the highway.
- 1.2 Particular scrutiny is given to promoting road safety amongst users by ensuring that the operator maintains the fleet of e-scooters to a high standard, monitors batteries and equipment daily and manages the deployment of e-scooters so that

they are available for hire in the right places and do not obstruct footways.

- 1.2. The commercial operator of the service will contract with the council on county council terms and conditions. The DfT stipulates clear guidance on the specification of e-scooter, speed, use and parking, which will all be integral to the terms and conditions.
- 1.3. All e-scooter riders must hold a minimum of a provisional driving license, and be able to evidence this before they can use an e-scooter as part of the trial.
- 1.4. Helmets are strongly advised but are not compulsory. The inclusion of a virtual training session and support will be expected as an integral part of the extended trial with extra points awarded to bidders for additional road safety initiatives and inclusivity.
- 1.5. The main areas of trial operation are around the centres of Gloucester and Cheltenham which have navigable infrastructure suitable for e-scooter use on highway and shared use. The new operator will be expected to set appropriate speeds in accordance with the DfT National guidance and current practise in Gloucestershire.
- 1.6. The council's concession contract will use geo-fencing technology to prevent use in some locations and to limit the vehicle's maximum speed in higher risk areas such as shared walking and cycling zones/routes and town centres to increase safety for all users and pedestrians. The preferred operator will be required to continue engagement with key stakeholders including the police, highways officers, elected members and groups representing people with disabilities including those who are visually impaired.
- 1.7. The trial scheme will include motor insurance cover. GCC will set a recommended limit for the Motor insurance in respect of third party injury for the new operator to adhere to ensure appropriate cover for the customer. The appointed service provider will also need to have Public Liability & Employers Liability Insurance both at £5m.
- 1.8. A clear benchmark highlighting key performance indicators will be set out as part of the contractual terms and conditions to ensure quality of service and minimise risk.

### **3.0 Information Governance and Data Implications:**

- 3.1 It is not mandatory to undertake a Data Protection Impact Assessment (DPIA) for concessionary contracts. However, a full DPIA will be conducted for this scheme to ensure all data processes are safe, clear and transparent.
- 3.2 The Service Provider and GCC are Data Controllers for data they process and the Service Provider and GCC are Joint Controllers of any Shared Data. Enabling GCC and DfT to access important trip data and incidents is vital to ensuring a safe quality service is delivered.

#### 4.0 **Financial implications**

- 1.1 There are no direct financial implications to the council as this is a concession contract and the operator is delivering the service commercially. No council capital or revenue expenditure is required for this contract.
- 1.2 The commercial operator will be responsible for all financial liability and risk and must ensure the e-scooters have the appropriate public liability insurance and motor insurance.
- 1.3 In terms of ensuring quality of service to the public, and value for money, the tender process will require interested operators to provide (i) a turnover requirement related to the value of the contract; (ii) an assessment of their potential financial robustness which will be scored; (iii) their contribution to social value which may detail their investment in the county.

#### 4 **Reputational implications:**

- 3.1 Potential reputational implications are associated with the quality of service provided, especially in terms of road safety. Clear reporting mechanisms will be applied where all trips, lengths, routes and incidents are reported monthly to the DfT and the council.
- 3.2 Accurate data enables misinformation and reputational concerns to be managed and clarified with key partners and stakeholders as well as the public.
- 3.3 The selected operator will work in partnership with the council's communications team, the Police and key stakeholders, to run campaigns to promote the scheme's safety and offer accessible feedback mechanisms as obligations under their concession contract. The operator will be expected to supply accurate information such as on e-scooter locations, battery levels across the operational areas, the state of maintenance for each scooter and the number of incidents every month.
- 3.4 The tenders will be scored, in part, on their proposed communications plan mechanism for public and customer feedback, which must ensure positive relations and reputation are maintained through the trial extension whilst also promoting maximum uptake of a greener form of travel, whilst creating minimal disturbance to neighbourhoods.

#### 6.0 **Climate change implications**

- 3.5 The e-scooter trial helps to support the council's Climate Change Strategy and is in accordance with the government's directive to promote safe sustainable travel after the COVID pandemic by offering low carbon alternative. The trial will contribute to encouraging sustainable travel and its impact will be assessed as part of the trial and compared nationally. Potential operators will be scored higher for sustainable policies and social value.

## 7.0 **Equality implications**

Has an Equalities Impact Assessment (EIA) been completed? **Yes**

7.1 As stated, earlier attention will be given to engagement with groups representing people with disabilities to minimise potential for conflict with pedestrians in busy areas and obstruction of footways by parked e-scooters, which can cause difficulties for people who are blind or visually impaired, wheelchair users or parents with pushchairs. This will form part of the evaluation process and be reviewed as part of ongoing contract monitoring by the council.

Cabinet Members should read and consider the Equalities Impact Assessment in order to satisfy themselves, as decision makers, that due regard has been given.

## 8.0 **Social value implications**

8.1 The procurement process will add weight to organisations that include inclusive recruitment of staff, green low carbon operational outputs, access to employment programmes and any associated reinvestment in the County. For instance, during the pandemic the current supplier offered 'free' minutes to Key Workers, so they could access their employment in a covid free environment.

### **Officer recommendations:**

That the Cabinet Member for Environment and Planning

- 1) Agrees to the Council's continuing participation in Department for Transport national e-scooter Trial.
- 2) Delegates authority to the Executive Director: Environment, Economy and Infrastructure, in consultation with the Cabinet Member for Environment and Planning to:
  - a. Conduct a competitive procurement process in respect of a contract to deliver the Gloucestershire E-Scooter Trial for an initial period of 12 months and include an option to extend its term for a two further periods of one year on its first and second anniversary (i.e. 1+1+1 years);
  - b. Award such contract to the preferred tenderer; and
  - c. Determine whether to exercise each of the options to extend the contract for a further period of one year on its first and second anniversary.

## 8.2 **Performance management/Follow up**

GCC will support the Performance Management of the Commercial contract through regular reviews, reports and communication with the operator and maintain close correspondence with the DfT