

CABINET MEMBER FOR ENVIRONMENT – 26 FEBRUARY 2015

OXONBIKE CYCLE HIRE SCHEME - REQUEST FOR APPROVAL OF PROCUREMENT EXEMPTION TO FUND AN EXTENSION

Report by Director of Environment and Economy

Introduction

1. The purpose of this report is to seek Cabinet Member endorsement for an exemption from procurement to enable a proposal to extend operation of the OXONBIKE cycle hire scheme from the scheduled end date of June 2015 until February 2016.

Background

2. The OXONBIKE cycle hire scheme is a key element of the current Local Sustainable Transport Fund (LSTF) project, which is focussed on supporting economic growth and development in Oxford through improved access from the east to the city centre and within the Headington area. The cycle hire scheme, in its current form, has three distinct components – the cycles, the rental system – both hardware and software – and the cycle docking stations. There are 30 cycles available for hire and members can hire/return the cycles at seven locations - Thornhill Park & Ride, John Radcliffe hospital, Churchill hospital, the Nuffield Orthopaedic Centre, Brookes University campus, Oxford University (Headington) and London Road, located near Headington shops.
3. When the scheme was originally set up, a procurement exercise took place and the contract was awarded to Grand Scheme Bike Share. The scheme was launched in June 2013 and operated very successfully until November 2013, when the company unexpectedly went into liquidation. At this point, it had around 500 members. The County Council sought an alternative operator to continue the project, and a decision was made to appoint Hourbike to take over the OXONBIKE scheme. OXONBIKE was re-launched in June 2014 and Hourbike agreed to operate the scheme for a full year up to June 2015.
4. Despite the long gap before the service was resumed and the fact that members needed to re-register with the new operator, membership has gradually increased since the re-launch and is now approaching 400. Oxfordshire County Council has set up a Stakeholder group, including representatives from health and the universities to explore options to continue and expand the project.
5. An initiative from Oxford Health to expand the scheme has resulted in the Local Sustainable Transport Funds (LSTF) funded Business Travel Grants being awarded to expand the scheme to three new sites – the Littlemore Mental Health Centre, the Warneford Hospital and Chancellor Court (for the

Oxford Business Park). From April 2015, there will be 22 more docking spaces and 16 more cycles at these three new stations. However, the extension is dependent on the continuation of the existing OXONBIKE scheme beyond June 2015.

6. Options for further funding to continue the OXONBIKE scheme beyond June were reviewed by the Stakeholder group and a proposal made to use underspend from elsewhere in the Local Sustainable Transport Fund (LSTF) programme to extend the period of operation. The identified underspend figure is £36,713 and, if agreed, would enable the original scheme to continue until February/March 2016 and for expansion of the scheme to be achieved. It would also provide time to seek further funding to enable the expanded scheme to be continued into 2016/17 and beyond. However, when combined with the existing contract award to Hourbike (£69,965 value), the total takes it over the EU Procurement threshold and so an exemption from tendering is sought.
7. Procurement and legal colleagues have agreed that this proposal can be considered by the Cabinet Member for Environment and a copy of the Legal Appraisal exemption is annexed.

Financial and Staff Implications

8. There are no staff implications and no financial implications for Oxfordshire County Council, as the Local Sustainable Transport Fund (LSTF) underspend funding would be reallocated to this project.

Equalities Implications

9. None.

RECOMMENDATION

10. **The Cabinet Member for Environment is RECOMMENDED to approve an exemption from procurement to enable a proposed scheme extension of the OXONBIKE cycle hire scheme from the scheduled end date of June 2015 until February 2016.**

SUE SCANE
Director for Environment & Economy
February 2015

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