

Committee: Streets & Walkways Sub Committee	Dated: 04/07/2023
Subject: Extended Review of Dockless Operator Lime	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	9
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	£
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	Y/N
Report of: Executive Director Environment	For Decision
Report author: Giacomo Vecia, Senior Strategic Transportation Officer	

Summary

'Dockless cycle hire' is a generic term for a short-term cycle hire scheme, similar to Santander Cycles, but with no on-street docking infrastructure. Dockless cycle hire schemes fall outside the existing legislative framework and the City Corporation does not have powers to prevent dockless cycle hire schemes from operating in the City.

In 2020 new operators Lime and HumanForest were given approval to operate in the Square Mile. Since then, City workers, residents and visitors have made over half a million trips using dockless cycles.

In autumn 2022 a review of Lime and HumanForest's operations was undertaken following concerns raised by officers and Members and external complaints regarding dockless cycle hire in the City. In January 2023 it was agreed by Members to renew HumanForest's approval status and extend the review period on Lime's approval status until May 2023 to determine whether they were continuing to meet our requirements for dockless operators in the City.

Lime provided a series of monthly performance metrics to help inform the extended review. By Lime's reporting, 8 of their performance metrics targets were achieved and 2 were missed. Overall, Lime has demonstrated a clear improvement in their performance over the extended review period and Officers are able to recommend that Members agree to renew Lime's operational status in the City, subject to ongoing performance reviews. We will continue to monitor performance and should an operator not perform at our standards we will withdraw their approval status.

Following discussions with dockless operators regarding parking bay capacity in the City we also propose trialling permitting dockless bike users to end their journeys in pre-approved under-utilised Sheffield stands. This proposal will help manage the

demand for dockless bikes over the summer while more dedicated dockless parking bays are identified and implemented.

Recommendation(s)

Members of the Streets and Walkways Sub Committee are asked to:

1. Agree to renew Lime's operational status in the City, subject to ongoing performance reviews.
2. Agree the limited use of Sheffield stands and City bike parking racks as additional dockless parking on a trial basis.

Main Report

Background

1. 'Dockless cycle hire' is a generic term for a short-term cycle hire scheme, similar to Santander Cycles, but with no on-street docking infrastructure. Dockless cycle hire has been operating in London since autumn 2017.
2. The fact that no on-street docking infrastructure is required offers users more flexibility and avoids the risk of not being able to end a ride due to a docking station being full. It also represents a challenge, as users of dockless cycle hire can leave bikes anywhere, potentially obstructing pavements.
3. Dockless cycle hire schemes fall outside the existing legislative framework and the City Corporation does not have powers to prevent dockless cycle hire schemes from operating in the City. A summary of our legal powers relating to dockless cycles is provided in Appendix 2.
4. In 2019 Members approved a refresh to the City's dockless cycle hire policy to allow operators who satisfied the following conditions to apply to operate in the City:
 - a. Agreement to meet certain SLAs, including but not limited to removing inappropriately parked bikes within agreed time limits and limiting overall fleet size among other requirements
 - b. Evidence of ongoing operations in an adjacent London borough with agreement from the borough
 - c. Agreement to an upfront payment of funds and ongoing maintenance transfers to support dockless-related expenditures in the City
 - d. Evidence of good financial standing and sufficient insurance and indemnity coverage
5. While meeting these criteria makes an operator eligible to apply for approval to operate a scheme in the City it is not a guarantee of operational approval. Consideration is given to the amount of available dockless vehicle parking in the City not currently allocated to other dockless cycle and rental e-scooter operators and the standing of the eligible operator with the City and other London Boroughs.

6. In 2020 new operators Lime and HumanForest were given approval to operate schemes in the City following a competitive selection exercise and formal agreement of the criteria listed above.
7. Since approval statuses were granted Lime and HumanForest dockless bikes have been used for over half a million trips by City residents, workers and visitors and demand continues to grow. This has contributed to both an increase in cycling observed in the City over the last three years and to challenges around inappropriately parked dockless bikes on City streets.
8. We are working with Lime and HumanForest to ensure that best practice and innovation introduced by one operator are adopted by the other. We are also working closely with TfL and London boroughs who have agreement with Lime, HumanForest or other dockless cycle hire scheme operators active in London to ensure industry best practice is adopted in the City.
9. Four operators are now active across London – Lime, HumanForest, Dott and Tier. Table 1 below summarises the agreements operators have with boroughs in Central London.

Table 1 – Dockless cycle hire operator-borough agreements in Central London

	Camden	Hackney	Islington	Lambeth	Southwark
Lime	Formal	Formal	Formal	Informal	Informal
HumanForest			Formal	Informal	Informal
Dott				Informal	Informal
Tier			Formal	Informal	Informal

10. Westminster have also indicated they intend to launch a dockless scheme over the summer and are working with operators in London to develop the scheme and identify locations for dockless bike parking bays.
11. Efforts to adopt the pan-London dockless vehicle byelaw are not being progressed and are unlikely to proceed while new national legislation is awaited. Until the Government introduces planned controls, it has therefore been necessary to continue individual agreements with operators to manage dockless cycle hire in the City.
12. London Council's Transport and Environment Committee (TEC) has been considering how to address the current unregulated approach to bike and e-bike rental services. London Councils and TfL are working on a proposal to have a single coordinated contract let on behalf of London Councils, London local authorities and TfL, to deliver services for rental e-bikes and e-scooters in London. The proposed launch of the new coordinated service is summer 2025. We will bring more information on this proposal to this Committee as plans develop.

Extended review of Lime's operational performance in the City

13. A number of complaints were received from Members, businesses and members of the public regarding dockless bike schemes in the City in 2022. These complaints included:
 - dockless bikes partially or fully obstructing pavements,
 - dockless bikes parked in front of fire escapes and loading bays,
 - overcapacity dockless parking bays or messily parked bikes,
 - inappropriately parked or abandoned dockless bikes on private property,
 - inappropriate riding behaviours and anti-social behaviour
14. In autumn 2022 a review of Lime and HumanForest's operations was undertaken. Formal review meetings were held with operators and data and metrics requested to inform the review.
15. In January 2023 following the outcome of the review Members re-approved HumanForest's operations in the City. Members also agreed an extension to Lime's review period to May 2023 to allow Officers to collect more operational performance data.
16. Lime was also asked to develop a plan for ongoing operational improvements and provide monthly compliance data updates with an aim of demonstrating a clear improvement in their parking compliance and maximum fleet size metrics. A long-term goal of bringing dockless cycle compliance rates in line with those observed in the pan-London rental e-scooter trial was also set for both Lime and HumanForest.
17. Lime recognised the need for improved operational standards following issues and complaints raised over the review period and committed to working with the City to ensure they meet the terms and requirements of their operational agreements.
18. Lime (alongside HumanForest) was already committed to the following parking compliance actions:
 - a. Ensuring all City of London approved dockless vehicle parking areas are marked and highlighted in their apps
 - b. Notifying, warning and/or fining users when they attempt to end a ride outside of an approved parking area
 - c. Reminding users every few rides or days about parking requirements in the Square Mile
 - d. Rebalancing parked dockless cycles to mitigate issues around overcapacity bays and potential impacts on appropriate parking behaviours
 - e. Banning users that repeatedly park inappropriately
19. Lime (alongside HumanForest) also committed to exploring or implementing the following improvements to their schemes as part of the review process:
 - a. Enhanced end-of-ride parking image verification processes

- b. Revised and enhanced user and in-app messaging reminding users of appropriate parking locations and behaviours in the City
- c. Temporary clean stencilling installed in the City at non-compliance hotspots
- d. Media activations in neighbouring boroughs to improve London-wide compliance
- e. Additional behavioural campaigns over the coming months
- f. Improved clarity around warning, fining and banning processes for inappropriate parking and riding behaviours
- g. Dynamic parking bay statuses enabling them to prevent users from ending their trips in fully occupied parking areas

Outcome of the extended review of Lime's operational performance

20. Lime provided a series of monthly performance metrics to help inform the extended review. The metrics included data or minimum targets on:
- a. Proportion of pavement obstructions
 - b. Proportion of carriageway obstructions
 - c. Proportion of unsightly bays
 - d. Proportion of vehicles tipped over
 - e. Average response times to general complaints
 - f. Average response times to complaints regarding the obstruction of fire exits and critical infrastructure
 - g. Average weekly maximum fleet size
 - h. Average time to remove excess vehicles
21. Additional data on trip starts, ends, average trip distance and number of active users was also provided.
22. It has not been possible to independently audit or validate any of the data provided by Lime. The full list of metrics and their associated data can be found in Appendix 1 (non-public).
23. By Lime's reporting, 8 of their performance metrics targets were achieved and 2 were missed. Overall, Lime has demonstrated a clear improvement in their performance over the extended review period and Officers are able to recommend that Members agree to renew Lime's operational status in the City, subject to ongoing performance reviews. We will continue to monitor performance and should an operator not perform at our standards we will withdraw their approval status.
24. This approach continues our formal relationships with Lime and HumanForest, allowing us to continue to work constructively with them to raise issues and discuss potential solutions while recouping some of the costs associated with mitigating the impacts of dockless cycle hire in the City.
25. The City Corporation is also seen as an important dockless vehicle policy knowledge base both within London and nationally. Continuing our engagement with operators in London and the dockless industry more widely

will help us maintain and elevate that status and the leverage it affords the City Corporation in influencing wider policy and legislation.

26. Lime (and HumanForest) have offered to make a new voluntary financial contributions to support the maintenance and expansion of dockless infrastructure in the City over the summer. We are working with operators to confirm these contributions and will look to invest them in capacity and occupancy surveys, independent performance auditing and improving the quality and distribution of dockless parking bays.

Trialling the use of Sheffield stands as dockless parking

27. Following discussions with dockless operators regarding parking bay capacity in the City we propose trialling permitting dockless bike users to end their journeys in pre-approved under-utilised Sheffield stands and City bike parking racks. This proposal will help manage the demand for dockless bike parking while more dedicated dockless parking bays are identified and implemented.
28. Ahead of trialling this new approach we will undertake an occupancy survey of our Sheffield stands to determine where sufficient available capacity exists for use as dockless parking spaces. We will use the voluntary financial contributions being agreed with operators to fund these surveys with the aim of implementing this trial at suitable locations by August 2023.
29. Should this trial be agreed we propose that no more than 50% of stands at a particular location be allocated to dockless bike parking and that each active operator in the City be allocated at most 25% of the stand's capacity. We would also use the voluntary financial contributions from both operators to undertake periodic independent audits of dockless bike occupancy levels in Sheffield stands to monitor the impacts of the trial on private bike users.

Additional dockless vehicle parking bays

30. The City Corporation is also seeking to install an additional 11 mixed-use rental e-scooter and dockless bike parking bays across the Square Mile alongside undertaking a study to identify further sites.
31. All planned bays are located in under-utilised locations on carriageway and no loss of parking space is planned as part of these works. These additional sites will help accommodate the increase in demand for dockless cycle hire across the City and Central London and are expected to help improve parking compliance rates.

Corporate & Strategic Implications

32. Dockless cycle hire supports the delivery of Corporate Plan Outcome 9: We are digitally and physically well-connected.
33. The City of London Transport Strategy (Proposal 28) sets out our approach to improving cycle hire in the Square Mile. The need for designated parking areas is also included in Proposal 17: Keep pavements free of obstructions.

34. Micromobility schemes including dockless cycle hire helps inform the Future City Streets Programme (Proposal 42).
35. Dockless cycle hire also supports our Climate Action Strategy through providing a potentially zero emission alternative to short car, private hire and taxi trips.
36. Dockless cycle hire contributes to activities to deliver the Recovery Taskforce recommendation to pilot and scale innovative solutions.
37. There is a possible reputational risk to the City Corporation if innovative approaches to increasing sustainable and healthy transport modes are not carefully considered. There are also possible reputational risks if potential adverse impacts of dockless cycle hire operations are not carefully managed.

Legal implications

38. The City Corporation has no jurisdiction over the legality of dockless cycle hire schemes.
39. Data collected from dockless cycle hire operations will help inform Corporation policy and possible representations on and consultations to future legislation to regulate the dockless hire market.

Financial implications

40. Operators have offered to make voluntary financial contributions to support the dockless policy portfolio and enable works to implement additional parking bays, reducing the impact on internal budgets.
41. Additional costs will be incurred if the City Corporation has to relocate or remove dockless bikes deemed to be causing a danger from the streets in default of the operator removing them. Removal and storage costs would be incurred in these circumstances and will be recovered through charging operators for removal.
42. There will be some additional impact on cleansing teams as in some locations when dockless parking areas are full it is more difficult for cleansing team to access the area. This is an issue for any vehicle parked areas if occupied whilst cleansing operatives are carrying out work.

Health Implications

43. Well managed dockless cycle hire schemes have the potential to reduce the number of car journeys within central London, and potentially shift journeys from short car, taxi, private hire and public transport trips, with associated benefits to air quality and public health.

Equality Implications

44. A detailed Equalities Impact Assessment has been undertaken in consultation with internal and external stakeholders on a similar scheme – the City of London’s rental e-scooter trial. Lessons and mitigations from that EqIA have been taken into consideration wherever appropriate and related to dockless cycle hire.

45. Dockless cycle hire activity in the City is being monitored to understand impacts on protected characteristic groups (e.g. visually impaired, wheelchair users). This is consistent with the public sector equality duty.
46. The City of London rental e-scooter trial EQIA identifies a number of issues, particularly around safety of e-scooter users and other road users, which can help better understand and develop mitigations for dockless cycle hire schemes, including:
 - Speeding and irresponsible riding behaviours
 - Irresponsible parking leading to dockless cycles being abandoned and becoming street litter that could causing obstructions or injury
 - Increased fears for people's safety and wellbeing on the City's Streets
 - Increased risk of collisions for those riding dockless cycles
 - Increased risk to people walking on our streets, due to dockless cycles not being seen or heard, dockless cycles speeding in shared use areas, and/or illegal or poor rider behaviour
47. Engagement and enforcement against illegal and unsafe use of dockless cycles will be undertaken in partnership with City of London Police.
48. In summary we have concluded that the application of mitigation measures and the benefits from safe use of a dockless cycles outweigh the negative impacts, or potential impacts of those in protected characteristics groups.

Conclusion

49. Dockless cycle hire schemes have been active in the City since 2017. They have created various challenges but also opportunities for the City Corporation and Londoners more widely.
50. Officers will continue to monitor Lime (and HumanForest's) performance in the City and work with both operators and TfL/London Councils to improve dockless operations across Central London.
51. Overall, Lime has demonstrated a clear improvement in their performance over the extended review period and Officers are able to recommend that Members agree to renew Lime's operational status in the City, subject to ongoing performance reviews. We will continue to monitor performance and should an operator not perform at our standards we will withdraw their approval status.
52. This approach continues our formal relationships with Lime and HumanForest, allowing us to continue to work constructively with them to raise issues and discuss potential solutions while recouping some of the costs associated with mitigating the impacts of dockless cycle hire in the City.
53. We also recommend trialling permitting dockless bike users to end their journeys in pre-approved under-utilised Sheffield stands and City bike parking racks. This proposal will help manage the demand for dockless bike parking while more dedicated dockless parking bays are identified and implemented.

54. We will continue to bring updates and reports to this Committee on dockless operational performance in the City when appropriate.

Background Papers

- [Dockless Cycles Policy and Legal Powers Update – 17 January 2023](#)
- [London rental e-scooter trial and dockless vehicle update -19 July 2022](#)
- [Pan-London rental e-scooter trial extension – 1 November 2022](#)

Appendices

Appendix 1 – Lime extended review performance metrics and targets (non-public)

Appendix 2 – Legal advice on obstructions/dangers

Giacomo Vecia

Senior Strategic Transport Officer
Environment Department

T: 020 7332 1489

E: giacomo.vecia@cityoflondon.gov.uk