

City of London Corporation Committee Report

Committee(s): Streets & Walkways Sub-committee	Dated: 22 July 2025
Subject: Micromobility update and entering into a Memorandum of Understanding with dockless bike hire operators	Public report: For decision
This proposal: <ul style="list-style-type: none">• delivers Corporate Plan 2024-29 outcomes	Vibrant Thriving Destination; Flourishing Public Spaces
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/a
What is the source of Funding?	N/a
Has this Funding Source been agreed with the Chamberlain's Department?	N/a
Report of: Executive Director Environment	Katie Stewart
Report author:	Tim Le Rougetel, Senior Strategic Transport Planner

Summary

This report provides an update since the last report to this Committee in July 2024 for improving dockless cycle hire operations in the Square Mile.

Several agreed actions have been undertaken, including the development of Memoranda of Understanding (MoUs) with both existing operators, Lime and Forest. This report seeks permission to sign the MoU.

The update on activity and monitoring includes the increase in number of on-street parking bays and the proposed delivery of further bays this year. Mechanisms for reporting issues have improved, with a dedicated dockless webform being hosted on the City of London's public website since November 2024. In January and February 2025, we undertook a period of on-street bike seizures where bikes were considered to cause an immediate danger to the public.

The e-scooter trial which TfL manage and which the City Corporation is a participant is proposed to be extended and we recommend remaining in the trial.

Recommendation(s)

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

- Authorise the Executive Director Environment to enter into the Memoranda of Understanding with dockless bike operators and to sign any extensions or renewals should they be considered necessary.
- Agree to continue our participation in the e-scooter trial.
- Note the content of the report.

Main Report

Background

1. The English Devolution Bill white paper published in December 2024 indicated the Government would bring forward legislation to give strategic transport authorities (i.e. TfL in London) the power to regulate on-street micromobility schemes (dockless hire bikes, e-scooters and any other forms of shared micromobility that may emerge on the market). This will allow enforcement of parking compliance and fleet size across the City of London and all London boroughs. City Corporation lobbied strongly for regulation, including several occasions from the Chairman of the Policy & Resource Committee.
2. There is currently no confirmed timetable for this new legislation. The earliest this is expected to come into effect is late 2026. Until such time as legislation gives the City Corporation powers to effectively manage dockless bike hire operators, we will continue to engage constructively with operators to manage our streets safely, supported by the proposed MoU.
3. In January 2024, Members agreed a series of actions relating to improving parking compliance, including:
 - facilitating ongoing collaboration with TfL, London Councils and central Government to support and champion additional regulatory, contractual and other powers to better manage dockless operations and operators;
 - increasing the number of dockless vehicle parking locations
 - expanding our data collection and reporting and introducing a City-wide no parking zone.
4. In May 2024, Members agreed to signal our intention to join the proposed pan-London contract, should it be brought forward. Work by TfL and London

Councils on the contact has been paused while awaiting the legislation and powers outlined in the English Devolution White Paper. Work to date on the contract should enable TfL to move quickly once the micromobility legislation has been passed and regulatory powers granted.

Memorandum of Understanding

5. Given the uncertainty around the timetable for new micromobility legislation Officers have been liaising closely with Lime and Forest representatives to agree the terms and conditions of an MoU. This will formalise practices that have been in place with both operators for a number of years. The MoU is provided in Appendix 2 and includes agreements to:
 - Require users of dockless bikes to park in mandatory parking bays,
 - Compel operators to manage parking compliance through their apps, and to use warnings and fines appropriately to achieve good parking behaviour.
 - Require operators to manage fleet numbers effectively within the capacity of parking available in the city.
 - Provide higher quality data from operators on the performance of their on-street operations, such as the number of journeys per month, the number of journeys starting, ending or starting and ending in the City and the number of parking compliance issues reported each month
 - Pay regular financial contributions from operators to use parking bays. Funds will be utilised to install maintain and operate parking of dockless parking bays and other associated costs.
 - Require operators to respond to reports of poorly parked bikes and/or where excessive bikes are parked in designated bays within 90 minutes of a report being received.
6. The MoUs reflect the model provided by London Councils and will initially be signed for a period of 12 months, with an option to extend.
7. Due to the uncertainty of the timetable for legislation to be concluded, granting local transport authorities the powers to regulate and enforce on-street micromobility schemes, break clauses have been inserted into the MoU to allow both parties to terminate the agreement in the event that formal powers come into effect. The option to extend by a further 12 months offers additional flexibility should the legislation not be in place by the time this period expires.
8. The City of London's Scheme of Delegation states that the Comptroller & City Solicitor must seek authority from a sub-committee, committee or the Court of Common Council to enter into a contract, agreement or MoU. This authority can then be delegated to the relevant Chief Officer upon instruction.
9. Members of this Committee are requested to approve the decision to authorise the Executive Director Environment to enter into the MoUs.

Update on parking delivery

10. There are currently 108 micromobility bays on the City of London streets, accommodating approximately 1150 vehicles (both dockless bikes and e-scooters). 88% of the City of London's streets are now within 250m of a shared micromobility bay and in addition to this, there are a number of dockless bike only bays on the footway. Subject to statutory consultation and any amendments to delivery, the City is planning to increase its on-street parking capacity to a total of around 1500 vehicles by September 2025.
11. Delivery of the dockless parking bays is through TfL ringfenced funding and contributions from both operators.
12. A review of footway bays, largely installed in 2019 to accommodate a limited number of non-electric dockless hire bikes, is currently underway. Officers are reviewing these bays against current guidance and will, as appropriate, remove or expand bays that do not meet minimum recommended sizes. This may lead to a small decrease in the number of parking spaces but will reduce the likelihood of oversubscribed pavement bays obstructing pavements.
13. Officers will continue to explore opportunities to increase the number of parking bays. These are expected to be limited, at least until new powers and contracts are in place to overcome concerns raised in recent consultations by City businesses and other stakeholders about the management of bays.

On-street action against operators

14. In January and February 2025, officers took action against operators whose users had left bikes in such a way that they caused an immediate danger to members of the public, using powers conferred to the City under Section 149 of the Highways Act.
15. Over a concerted two-week period between 27th January and 7th February 2025, officers in the Transport Strategy team, with support from partners at Veolia, seized 112 bikes from the City's streets. Operators were charged the City's costs to reclaim their cycles.
16. Whilst the on-street seizures proved effective for a short period of time, they were very resource intensive, taking over 120 full-time equivalent hours of officer time over the two-week period, the lead-up and the debrief period.
17. Regular actions of this nature are not viable given the resources required, however additional one-off actions and campaigns will be considered alongside our ongoing engagement with operators.

Monitoring and compliance

Operator data

18. Since there is no legal requirement for dockless operators to release data to local authorities, it has so far been provided upon request. The operator response to our most recent data request varies – Forest have submitted full data since August 2024, whereas Lime have only provided data since April 2025 (two complete months at the time of writing). As this information is commercially sensitive it is available as a non-public appendix to this report. Data includes number of trips, trip distance and duration, and recorded compliance of parking with a parking bay.
19. The most recent data from Lime and Forest shows that on average over 200,000 journeys are made by dockless bikes in the City every month. As noted in our City Streets Summary Report (May 2025, see Background Papers), our strategic traffic counts recorded a four-fold increase in the number of dockless bikes counted between 2022 and 2024. This has contributed to both the increase in cycling observed in the City over the last three years and to challenges around parking supply and inappropriately parked dockless bikes

City of London data

20. City officers have been collating data based on the following sources:
- Complaints to the Strategic Transportation inbox
 - Reports from the public via the City's dockless reporting webform, which launched in November 2024
 - Street Enforcement Officers' on-street reports
 - 'Mystery shopping' trips within the City boundary to test end-of-trip functionality, such as parking outside of bays or in No Go Zones.
21. The key highlights for this data are presented below*:
- Total number of webform reports: 1,705 since November 2024
 - Reports ranged from 469 (19 Nov – 20 Dec 2024) per month to 152 (19 Apr – 20 May 2025).
 - Total number of unique complaints in the Strategic Transportation inbox since March 2020: 214
 - Locations with the highest number of complaints received by email in the Strategic Transportation inbox: 8 Bishopsgate (17), Barbican (16), Bucklersbury / City of London Magistrates Court (11)
 - Average number of Street Enforcement Officer reports of bikes causing a cleansing issue or a hazard to others: 1000
 - Total number of 'mystery shopping' trips carried out by Transport Strategy team since September 2024: 37. This comprises the following key data:
 - 31 bikes deliberately parked outside designated bays to test parking compliance
 - Of these, 20 (65%) were able to be parked
 - Only 1 warning was received for a bike parked outside of a designated bay.

- Observations of bikes reported via the web form during recent summer months, show that removal times for reports are not up to the standards we have agreed. In June 16 reports were recorded and tracked, of these at least half had not been moved within the 90-minute threshold; we will be continuing to monitor and urge operators to uphold agreements.

**All data accurate at the time of drafting the report, June 20th 2025*

E-scooter trial

22. The City Corporation joined Phase 1 of the pan-London e-scooter trial in 2021.
23. Unlike dockless cycle hire, the e-scooter trial is tightly regulated by the DfT and TfL, with caps on fleet sizes, vehicle speeds and rigorous monitoring of operator performance and safety.
24. Phase 2 of the e-scooter trial is due to run until 22nd September 2025, with the option to extend by a further year. Early indications suggest that TfL are willing to trigger the extension. DfT guidance currently runs until May 2026.
25. The trial has had a good safety record. Only two serious injuries have been reported in the City of London since the trial began, in December 2022 and November 2024. A link to the latest safety report from TfL is provided in Background Papers.
26. There has also been a 75% increase in e-scooter trips between May 2024 and May 2025 (5,300 in May 2024 vs 9,300 in May 2025) in the City of London, a result of improvements to the trial geofencing and increasing our parking density by 40%.
27. The City receives a fee per bay for allowing e-scooters to operate. Since the trial began, we have received £103,026 from TfL, most of which has been used to support delivery of parking spaces and the remainder has gone into the general transport revenue spend.
28. It is recommended that the City remains in the e-scooter trial, given the significant increase in sustainable trips over the past twelve months, the good safety record and the monthly revenue our participation in the scheme generates. It is also expected that any future micromobility legislation, powers and contracts will include e-scooters alongside dockless bikes.

Strategic Implications

29. Dockless cycle hire supports the delivery of Corporate Plan Outcome: Vibrant thriving destination and a Leading Sustainable Environment.

- 30. The City of London Transport Strategy (Proposal 22 & 23) 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.
- 31. Micromobility schemes including dockless cycle hire are part of the innovation of technology in transport on our streets (Proposal 39, 40).
- 32. Dockless cycle hire supports our Climate Action Strategy through providing a zero-emission alternative to short car, private hire and taxi trips.
- 33. 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.

Financial implications

- 34. Operators are expected to contribute towards the installation of new and the maintenance and management of parking bays within the City of London, as set out in the MoU.
- 35. 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.
- 36. The City will forfeit revenue from TfL as part of the e-scooter trial participation should it decide to leave the trial.

Resource implications

- 37. The absence of an MoU will likely result in a continuation of the status quo with poor parking practice on City of London streets. This could lead to Members requesting further on-street action from officers and partner organisations, which will place a burden on team resources, as referenced in Paragraph 16.

Legal implications

- 38. Dockless cycle hire schemes which do not necessitate any infrastructure being placed on the highway fall outside the existing legislative framework and do not need the City Corporation's consent to operate in the City, as outlined in Appendix 1.
- 39. In the event of loss, injury or damage caused by dockless cycles, the person responsible would depend on the circumstances of each case.

40. The steps proposed to secure the co-operation of operators in ensuring safe practices would help demonstrate that the City is taking reasonable measures consistent with its responsibilities outlined in Appendix 1.
41. Data collected from dockless cycle hire operations will also help inform Corporation policy and possible representations on and consultations to future legislation to regulate the dockless hire market.
42. The signing of any Memoranda of Understanding (MoU) with active operators in the City will include favourable break clauses to not compromise our ability to join any potential future pan-London non-docked micromobility scheme.
43. The MoU will not hold sufficient legal status to provide the City Corporation with additional regulatory or enforcement-related powers.

Risk implications

None

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 EqlA 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 EqlA identifies several 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.

Climate implications

49. The City's Climate Action Strategy aims for a net zero Square Mile by 2040.
50. Sustainable travel initiatives, such as walking, scooting and cycling, will be pivotal to reducing transport emissions to net zero.
51. The City has already seen exponential growth in dockless bike use since 2022, as per the observations in the City Streets Summary Report. This proves the existing popularity of hire bikes as a low-carbon form of transport.
52. A well-managed relationship with dockless bike operators, formalised through an MoU until such time as it is superseded by legislation, is therefore critical in maintaining viable sustainable travel options for the City's workers, residents and visitors.

Security implications

None

Conclusion

53. The City continues to work with Lime and Forest to address the challenges of dockless cycle hire through strengthened operator engagement, expanded parking infrastructure, and targeted enforcement. The proposed MoUs will formalise parking requirements and expectations around data sharing, fleet size, and responsiveness. While operator compliance has improved, persistent issues remain, demonstrating the need for sustained oversight. Pending national legislation to control dockless operators, these interim measures will help manage public space effectively and support the City's sustainable transport goals.

Appendices

Appendix 1: Legal Powers and Frequently Asked Questions.

Appendix 2: Draft Memorandum of Understanding

Appendix 3 *non-public: Data on activity from operators*

Background Papers

- [Streets & Walkways Sub-Committee Report – Improving dockless cycle hire, 9th July 2024:](https://democracy.cityoflondon.gov.uk/documents/s205163)
<https://democracy.cityoflondon.gov.uk/documents/s205163>
- [City Streets Summary Report, May 2025:](https://www.cityoflondon.gov.uk/assets/Services-Environment/City-Streets-2025-Summary-Report.pdf)
<https://www.cityoflondon.gov.uk/assets/Services-Environment/City-Streets-2025-Summary-Report.pdf>
- [London e-scooter rental trial: Phase 2 Year 1 report findings, September 2023 – September 2024 Greater London Authority, London Councils, Transport for London:](https://content.tfl.gov.uk/london-e-scooter-rental-trial-phase-2-report-findings-september-2023-to-september-2024.pdf) <https://content.tfl.gov.uk/london-e-scooter-rental-trial-phase-2-report-findings-september-2023-to-september-2024.pdf>

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