

Executive Report



Delegated Decisions - 9 April 2024

E-SCOOTER TRIAL EXTENSION

Name of Cabinet Member	Councillor Jenny Wilson-Marklew (Cabinet member for Public Realm)
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Exempt / confidential / not for publication	Yes - Exempt Annex
Council Plan reference	N/A
Wards affected	All wards

Executive Summary

Milton Keynes City Council launched a trial of E scooters in August 2020. This followed a local evaluation of potential benefits of deploying e scooters along with requests from Government for local areas to launch trials of licenced electric scooters to support mobility. The trials were initially programmed to last for twelve months at which point legislation was expected to be in place to allow regulated services (should data and evidence show user/mobility benefits). Three providers operated initially; Lime, Tier and Ginger, although Ginger has now changed its model to much longer term hire with a much smaller number of vehicles, and their remaining allocation has been split between the two other operators.

Due to pressure on parliamentary time and an apparent lack of priority, DfT then stated that legislation would not be in place before 2024 and as a result, a further delegated decision was taken in November 2022 to extend the trial further until May 2024.

Once again, legislation has not been brought forward by Parliament to regulate e-scooters, and DfT have recently written to all Local Authorities operating trials to see if they wish to extend their trials once again, for a further two years until May 2026. Options to extend the geographical scope and fleet size of operating schemes as part of this extension have also been offered.

The Milton Keynes e-scooter scheme has been very successful, with over two million trips undertaken across the network, removing thousands of car trips from the road network. They are also well-used by younger people, providing a convenient mode of transport for them to undertake social and leisure activities, and by commuters, with distinct morning and evening peaks noticeable. Safety is also excellent, with very few reported incidents, and even fewer of these involving hospitalisations of users or others involved. As well as providing excellent evidence to show how well the scooters are used and their approval ratings, one of the existing operators has also provided evidence of uncompleted hires, where scooter unavailability has prevented a journey from taking place, suggesting that there are insufficient vehicles available to rent, and some would-be hirers are often disappointed.

Consequently, it is proposed to extend the existing e-scooter trial for a further two years to May 2026, and to expand the fleet size of one of the main operators (Lime), in conjunction with the introduction of improved operational controls. The scale of the fleet expansion is being negotiated with the operators in exchange for enhanced controls over geofenced parking areas and 'auto-slow' areas, but will not exceed 100% of their current fleet size.

1. Proposed Decisions

- 1.1 That the public and press be excluded from the meeting by virtue of Paragraph 3 (Information relating to the financial or business affairs of any particular person [including the authority holding that information]) of Part I of Schedule 12a of the Local Government Act 1972, in order the meeting may consider the **exempt Annex** to the report.
- 1.2 That a further extension to the operating period of the trial for both operators, Tier and Lime, until May 2026 in line with the Government's request, be approved.
- 1.3 That authority be delegated to the Assistant Director of Highways and Transport to:
 - (a) agree an appropriate expansion of fleet size not exceeding 100% (to be negotiated with current operator Lime) to meet the current identified unmet demand for trips; and
 - (b) negotiate and agree that additional controls for parking, speeding and safety be introduced for specific areas, in exchange for the increases in fleet size above.

2. Reasons for the Decision?

- 2.1 The e-scooter hire scheme in Milton Keynes has become an established transport option for local journeys, particularly among younger people, so removal of the scheme now would be inappropriate and unpopular.

- 2.2 The e-scooter hire scheme makes a significant contribution to the reduction of vehicle trips across the city and towards sustainable trip making, and improves the city's air quality. Figures from our providers show that 3.4 million kilometres have been driven on e-scooters since their introduction in MK, removing an estimated 350,000-400,000 car trips from the network and saving approximately 128 tonnes of emitted carbon compared to the equivalent car trips.
- 2.3 An expansion of the fleet not only allows for additional sustainable trips to be made by increasing scooter availability, but it also provides the Council with the negotiating opportunity to secure additional operational controls to address known issues with e-scooter parking locations and speeding in specific areas.

3. Background to the Decision

- 3.1 The e-scooter hire scheme in Milton Keynes has been operating very successfully since 2020 with 350k active users and is making a positive contribution to the sustainable transport options available to residents.
- 3.2 Lime, Tier and Ginger were originally granted concession arrangements in the trial, but only Lime and Tier offer a floating e-scooter hire service, with Ginger moving to a long term hire model with a much fewer numbers of e-scooters. As a result, their remaining allocation of 'conventional' hire scooters was split evenly between the other two operators in 2023. Tier and Lime therefore have a maximum fleet size of 630 scooters each at present.
- 3.3 Both Lime and Tier have indicated that they wish to continue to participate in an extended trial for a further two years, but Lime have also indicated that they wish to discuss an expansion of their fleet size.
- 3.4 The Lime scheme alone has enabled 1.6m e-scooter trips since launch, delivering year on year growth, with 604k trips undertaken in 2023, and a predicted 976k trips in 2024.
- 3.5 However, despite these very successful numbers, the vehicle density in Milton Keynes is very low compared to other cities in which they operate, which results in more unsuccessful attempts at hires, with scooters often unavailable when would-be hirers are seeking them.
- 3.6 Their first proposition therefore is to expand the fleet size from the current cap of 630 scooters to 1000 scooters, with mandatory geofenced parking zones introduced across Central Milton Keynes.
- 3.7 Their second proposition is to expand their operating area to cover areas to the South and East of the City, including Newton Leys, Little Brickhill and Woburn Sands, and to increase the fleet size to 1200 scooters.

- 3.8 Lime have committed to increasing their staff presence by employing more mechanics, drivers, and street patrollers, creating at least five new jobs for local residents, and to make £10,000 of hire credits available to people on low incomes or seeking employment.
- 3.9 Lime’s presentation containing user figures and requesting an increase in fleet size is attached as an **exempt Annex** to the report, although this is exempt from publication due to commercial sensitivity. Officers continue to discuss the details of this proposal with Lime and seek delegation to agree the final number.
- 3.10 Tier, our other main e-scooter hire operator, has confirmed that they do not wish to expand their existing fleet size, but would like to continue to offer their service in an extended trial.
- 3.11 Ginger, our third operator, changed their operating model to a long term hire arrangement with a small number (30) of scooters, and are considering their operating future in Milton Keynes at present.

4. Implications of the Decision

Financial	N	Human rights, equalities, diversity	N
Legal	Y	Policies or Council Plan	N
Communication	N	Procurement	N
Energy Efficiency	N	Subsidy	N
Workforce	N	Other	N

(a) Financial Implications

There are no financial implications because of this decision. There is no financial arrangement between the Council and the E-Scooter operators, although there is some social value offered through the existing operating concessions in the form of discounted hires for unemployed and low-income residents.

(b) Legal implications

The council operates the trial via an operational agreement with the operators. This requires (in summary) the operators to:

- Use e-scooters which have the necessary approval from DfT.
- Maintain timely data on operations and supply this to MKCC/DfT.
- Take direction from MKCC to address operational issues and maintain KPI around responding to incidents/reports.
- Operate only on legal routes (eg highway (not footpaths)).
- Operate at agreed lower speeds in sensitive areas.
- Enforce appropriate rider checks and operate enforcement to improve rider behaviour.

The existing concession and the DfT Guidance allow for an extension of the existing arrangements for a further two years, in which period we would expect legislation on e-scooters to be brought forward by Parliament.

Once a legal framework exists, the Council will competitively re-tender the e-scooter concession once the current extension sought to May 2026 expires.

(c) Other Implications

(i) Highways

DfT have issued operator licences which provides the legal framework for e scooter operations. E scooters are classified as a 'motorised' vehicle therefore all vehicles need to be roadworthy, have insurance and have a rider with a driving licence. The necessary checks are undertaken by DfT prior to licences being issued.

(ii) Council Plan

The Council Plan has key priorities for action on Climate Change and Sustainable Mobility with the ambition to become Carbon Neutral by 2030. The scheme is demonstrating reductions in carbon by reducing car borne transport.

(iii) Equalities

The impacts of inconsiderate e-scooter use are the subject of discussions at the E-Scooter Forum, and the impact on those with mobility issues has been specifically highlighted. Consequently, the Council will seek to address these concerns in the revised operational arrangements to be discussed with the scheme operators.

5. Alternatives Considered

5.1 It could be possible to simply end the e-scooter hire scheme across MK from the end of May 2024.

5.2 However, as stated previously, the scheme has been operating successfully for four years and has removed a significant number of car trips from our roads, and it would be a retrograde step to withdraw it now. Many younger people have come to rely on the scheme for their personal mobility and their continued use of e-scooters is essential in maintaining their social and leisure activities, so removing it would be impacting adversely on one particular group of our residents.

- 5.3 While the concerns about e-scooters and the inconsiderate riding and parking of some users are not to be understated, these do not offset the positive impacts of the scheme on the city and its residents.
- 5.4 It could be possible to agree to an extension of the operating period for the e-scooter trial, but to not grant any expansion of e-scooter fleet size. While this would sustain the operation of the existing scheme for a further two years, it would do nothing to address the latent demand for additional scooter trips.
- 5.5 Some of these trips would either be made less sustainably, or not at all, so meeting this demand is much preferable to the alternative means by which these trips could be undertaken, or to prevent them being suppressed altogether.
- 5.6 The do-nothing proposition is effectively that stated above at 3.1, where the Council takes no action and allows the existing trial to end on 31 May 2024. This is not favoured for the reasons set out above.

6. Timetable for Implementation

- 6.1 The timing of this decision will allow for ample time between the decision and the end of the existing trial arrangements on 31 May 2024 for the extension to be agreed and changes to MoUs made.
- 6.2 Prior to the expiry of the extension to the e-scooter hire scheme in May 2026, the Council will move forward with a re-procurement of an e-scooter concession in time for the new Arrangements to be in place for June 2026, so there is no break in provision. However, this will be subject to legislation being advanced by Parliament in the intervening period. If not, a further extension may be necessary.

List of Exempt Annex

Annex Lime Submission for Fleet Increase

List of Background Papers

None