

NEXTBIKES

Executive Summary

Nextbikes, a bicycle rental scheme operating in the Auckland CBD and North Shore has advised that it is not able to make its financial model viable and will be removing their cycles from the streets. Auckland Transport (AT) has been asked to comment / advise on the situation. Options are outlined below, with a recommendation to investigate funding a public bicycle hire scheme in Auckland.

Background – The Nextbike Scheme

- Public rental scheme – 131 bikes located in the CBD and North Shore
- Consents required to provide cycles in CBD area which run out in August 2011
- Provide service which allocates first 30 minutes after registering free
- Approximately 2000 registered riders
- Revenue gained from advertising – assumed approximately 90%
- Councils have provided free cycle parking on public bike racks to service Nextbikes
- Past issues of public comment and perception of Nextbikes being locked up in high profile areas chained to trees, lamp posts and ferry gates offering advertising etc.
- Auckland Regional Transport Authority (ARTA) and NZTA have sponsored Nextbikes in the past to provide services for advertising and for bike campaigns
- Relationship with hotels and backpackers in the CBD

Auckland Transport is not able to fund commercial operations directly without a public tendering process (except for a short term emergency essential service such as retaining a ferry link to a Gulf Harbour Island or an essential bus service).

However, Nextbikes could tender to run a public bicycle hire scheme if AT decided to subsidise this.

Current Situation

Management are currently investigating options for implementing a public bike hire scheme in Auckland, including international examples of different operating models, issues and constraints, and costs associated with the different options.

Recommendation

Management report to the Board with a proposed plan on or before the next meeting.

<p>WRITTEN / RECOMMENDED by</p>	<p>Fergus Gammie Chief Operations Officer</p>	
<p>APPROVED FOR SUBMISSION by</p>	<p>David Warburton Chief Executive</p>	

