

# **Urban Local Authorities and the Lessons Learned from Dockless Bicycle Hire in the UK**

**Geoffrey Dudley, David Banister and Tim Schwanen**

**Transport Studies Unit, University of Oxford**

Urban local authorities are under persistent pressure to deliver solutions to deep-seated transport problems, including congestion, ambient air quality, and community issues of quality of life. At the same time, in the UK, policies of financial austerity and associated cuts in funding from central government have meant that local authority expenditure on transport declined 42 per cent between 2009-10 and 2018-19. Consequently, when searching for solutions to long-standing problems, local authorities can be attracted to those that apparently offer minimum public expenditure.

This minimum cost to the public purse was one of the key attractions in local authorities facilitating the introduction of dockless bicycle hire. Bicycle hire schemes have grown rapidly in the twenty-first century, and since 2014 dockless bicycle hire has taken advantage of modern technologies to offer a more flexible and cheaper option, so that dockless bikes can be tracked and locked using a smart phone app, and therefore can be collected and left at any location. At the same time, their inherent character makes dockless bikes more susceptible to theft and vandalism than the orthodox docked schemes.

The business models of the dockless operators also made them unpredictable partners for the local authorities. Originating in China, the dockless operators focused on obtaining large sums of venture capital, and then sought to maximise market share. This led to over-expansionary business models which, when combined with the vulnerability to theft and vandalism, fatally undermined many of the dockless schemes. Instead, in several cities local authorities were left with the task of clearing up the abandoned bikes, while many schemes were terminated

The local authorities lacked any legal authority to regulate dockless bike hire, so that no planning permission was required to commence operation, leaving the local authorities in a reactive position. These difficulties were compounded by the reluctance of government to introduce a statutory regulatory framework. Instead, the vacuum left by central government led to a patchwork of attempts to place some degree of regulatory control on the dockless operators, which failed to exert any meaningful authority.

Even when the local authorities have active intentions to oversee successful innovations, they are unlikely to succeed without the necessary statutory powers, together with associated financial resources and expertise. The increasing speed and unpredictability of change in developing and implementing smart mobility innovations, together with continued commitments to deliver on meta-objectives such as reducing congestion and improving air quality, is only likely to increase pressures on local authorities. More is required in the sharing of risks and responsibilities between the public and private sectors, together with the adaptability to make schemes work successfully over time.

This summary is adapted from the paper: Urban Local Authorities and the Delivery of Smart Mobility: Obstacles in the Implementation of Bicycle Hire in the UK. The paper forms part of the project: The Regulation of Disruptive Innovations: The Case of Dockless Bicycle Hire, funded by the Rees Jeffreys Road Fund.