Interreg North-West Europe eHUBS

EUROPEAN UNION

European Regional Development Fund

Prototype of Service Level Agreement

DELIVERABLE 8.1

18th of May 2020

Liselotte Van Gils (Leuven)

Summary sheet

Project Name	**eHUBS**
Title of the document	Prototype of Service Level Agreement
Deliverable	8.1
Work Package	Long-term effects
Programme	Interreg North-West Europe
Coordinator	City of Amsterdam
Website	http://www.nweurope.eu/projects/project-search/ehubs-smart-shared-green-mobility-hubs/
Author	Liselotte Van Gils
Status	Final version
Dissemination level	Public
Reviewed by	Partners of the consortium
Submission date	May 2020
Starting date	January 2020
Number of months	36

Project partners

Organisation	Abbreviation	Country
Gemeente Amsterdam	AMS	The Netherlands
Promotion of Operation Links with Integrated Services aisbl (POLIS)	POLIS	Europe
Taxistop asbl	Taxi	Belgium
Autodelen.net	Auton	Belgium
Bayern Innovativ GMbH	BI	Germany
Cargoroo	CA	The Netherlands
URBEE (E-bike network Amsterdam BV)	URBEE	The Netherlands
Gemeente Nijmegen	NIJ	The Netherlands
Transport for the Greater Manchester	TfGM	Great Britain
Stad Leuven	LEU	Belgium
TU Delft	TUD	The Netherlands
University of Newcastle upon Tyne	UN	Great Britain
Ville de Dreux	DR	France
Stadt Kempten (Allgäu)	Kemp	Germany
Universiteit Antwerpen	UAntwerp	Belgium

Document history

Version	Date	Organisation	Main area of changes	Comments
0.1	20200427	Leuven	Full draft	
0.2	20200430	Leuven	Second version	
0.3	20200528	Leuven	Final version	

Table of Contents

Summary sheet 2
Project partners 3
Document history 4
List of figures 5
1. Introduction 6
2. Spectrum of regulations 7
3. Non-binding agreements 7
4. Pilots, concessions and permits 8
5. Checklist of a contract for shared mobility provider selection and appointment 11
The eHUBS Consortium 16

List of figures

Figure 1: Determining regulatory framework 10
Figure 2: Regulatory options for shared mobility 13

1. Introduction

This document aims to provide guidance to local and regional authorities to regulate the presence of shared (electric) mobility providers in the public domain. In this document, we will start by showing the reader a short overview of shared mobility, (this chapter). Secondly, we will describe the spectrum of regulations. The 3rd chapter describes non-binding measures to stimulate shared mobility. Chapter 4 provides information on different kinds of more formal ways to regulate shared mobility. The final chapter 5 provides a structure of a Service Level Agreement.

Car sharing is not a new concept. It began in 1948 with a cooperative in Zurich, Switzerland. It was followed by many other shared car experiments, mostly unable to grow large enough to sustain. This first wave of car sharing programs all survived only for a short period of time. Their failures were observed to be the result of poor financial management and planning, inadequate marketing, lack of support from local governments and small scale of the projects (Raymond and Dahl; 2017). The second wave emerged in the late 1980s with more successful experiences in Europe with approximately 200 providers in 450 cities providing services for 125 000 members (Saheen and Wagner; 1999). Services expanded to other continents in the late 1990s and 2000s.

Cycling is an attractive option of sustainable urban mobility. To encourage cycling and spare users the hassle of buying, carrying and parking, some cities started launching bake sharing programmes. This was the start of shared micromobility. POLIS describes three waves in their report on "Macro managing Micro mobility: Taking the long view on short trips" (2019):

- The first wave was an initiative of local governments with docks where bikes can be picked up and left behind.
- The second wave came around 2016 when entrepreneurs saw the potential demand and with it business opportunities. Users could pay with smartphones, bikes could be located and picked up anywhere. Some cities found their streets to be filled with different types of bikes. Local authorities had little or no opportunity to influence the operations. The bikes could be anywhere, not anymore fixed to predetermined docks. The way of working was "deploy first, ask questions later". As quickly as they came though, these dockless unplanned bikes disappeared due to vandalism and a lack of supporting logistics.
- The third wave is the predecessor of our current situation, supporting specific differences with the previous ones
    - Not anymore exclusively bikes
    - Electric mobility options
    - Logistical planning
    - Venture capital
    - Operators seek more support of the local authorities

More and more people (citizens, local media) started calling for local authorities to do something. Cities started to try and figure out what to do. To regulate or not to regulate, is that the question?

Some sort of rules are indispensable. The public interest needs to be the most important goal to be served. There needs to be order not only for the cities, but for the shared mobility providers as well, if they want to provide their services long term and with quality.

Shared mobility options can help reduce pollution and limit congestions problems in cities, but can, on the other hand, intensify problems such as curb space management.

Public-private cooperation is aimed to optimize benefits for both parties as well as mitigate the potential risks.

2. Spectrum of regulations

Cities and regions from across the European Union are trying different approaches to regulate access to the market of shared mobility and the operations within the market in their city or region. There is a spectrum of types and rules to consider: from a free market, over non-binding to binding agreements. In this perspective it should be noted that cities or regions are impacted by the regulatory capacity of particular authorities, which can be very different. Also culturally there can be great differences between cities, where some cities are more bicycle orientated than others or particular views on the structure of the public domain can impact the requirement of specific rules.

The goal of any type of regulation should focus on accountability structures as to improve the effectiveness. Next to this, it is important that the regulations still allow providers to be sustainable under the current market conditions and in the long term. (Docherty et al.; 2018)

Docherty et al. (2018) believe regulations set by local authorities should take in to account long-term effects and adopt overarching goals that will deliver to a wider public. The state has a key role to play not just in addressing challenges related to specific services, but in strategically steering the implementation of shared mobility towards delivering longer-term sustainability in transport. Despite the large number of services being provided by private actors, the state's 'traditional' responsibilities are still relevant. These include ensuring accountability for service performance and transparency, setting and delivering overarching public policy objectives, addressing market failures, and investing in infrastructure and innovation (Docherty et al., 2018).

The power to regulate lies within the domains of traffic management, parking and use of public space. The following chapter provides different ways of how this can be approached.

Moscholidou and Pangbourne (2019) state that regulations should be directed to specific types of mobility. It should clearly set out the providers' responsibilities and what happens if they fail to meet them and should seek to clearly align the mobility offer to the cities' long-term strategies. Fear of unregulated access to the market is that it can lead to a potential increase of overall vehicle use in cities, exacerbation of transport related social exclusion or a shift in travel choice away from public transport. (Moscholidou and Pangbourne; 2019)

3. Non-binding agreements

Regulation can be done using a soft approach. It is possible to regulate without having to use formal contracts. There is no direct binding power from a legal perspective. It leaves the market to regulate itself, but with guidance from local authorities.

This can be done using guidance or strategy documents that set out the city's expectations from providers and future actions. For example this is the case in London. Compliance with these documents is not

mandatory but providers can be held accountable for their impacts through other transport regulations or policies.

These policies can be divided in to different transport aspects:

- Favour use of shared mobility:
  - dedicated parking spots for shared vehicles;
  - free or cheaper parking permits for shared vehicles;
  - allowing shared vehicles access to locations or dedicated driving lanes (for example bus or carpool lanes) where private cars are not allowed;
  - providing a third-party payment plan to lower costs for potential users;
  - subsidies or premiums for people who give up their private car;
  - possibilities for real estate developers to substitute a number of required private parking spots by a shared vehicle;
  - raising awareness and informing the general public about shared mobility;
  - providing tools for comparing costs between private and shared mobility;
  - …
- Encouraging multimodal travel can benefit from:
  - a network of eHUBs correlating with nodes of public transport;
  - shared mobility offers to connect to nodes of public transport or departing from underservices areas to connect to the public transport network;
  - support for providers to aggregate in Mobility as a service apps together with public transport options;
  - …
- Diminishing congestion towards and in busy centres
  - creation of car free or car shy zones;
  - limited, payed and temporary parking in the centres, free parking outside the centres;
  - circulation plan complicating travel by car in the centre;
  - creation of infrastructure with priority for soft mobility options;
  - …

4. Pilots, concessions and permits

To be able to limit access to the market there needs to be a prohibition to access this market without permission. Without this ban any operator can deploy. The implementation of a general ban for shared mobility is the prerequisite to be able to set rules for this. Selective access to the market can be done through pilots, (scarce) permits or concessions. These form a contract enabling authorities to set binding requirements. When shared mobility providers work with their own stalling infrastructure a contract is always needed to be able occupy the public domain for a specific period. (POLIS; 2019)

A system of pilots, (scarce) permits or concessions has the goal to limit nuisance of the public domain and excessive curb space utilisation of shared vehicles. The accessibility and traffic safety needs to be safeguarded as much as possible. These contracts offer the possibility to assess the impact and mitigate risks by having an influence on aspects such as quality of vehicles, parking, positioning of vehicles, number of vehicles etc. It has a specific time limit in order to re-evaluate when necessary. It is possible to distinguish between different shared mobility vehicle types and number of supplier or contract per type. It creates the opportunity to verify qualifications of the applicants. The contract forms a legal basis for

enforcement of set rules and requirements as well as a possibility to revoke the rights when there is non-compliancy of the rules.

Pilots provide the opportunity to test and improve the rules. Feedback is generated whether or not operators can comply to the set requirements and can the local authorities facilitate what is needed to implement the shared mobility within the greater transport ecosystem. This needs to be monitored and evaluated to implement findings and do adjustments where needed. (POLIS; 2019)

Using a system of **concessions** offers the local authorities to allow specific operators and deny others access to the local shared mobility market. It is usually utilised when there are no or insufficient shared mobility providers interested to offer their services. The shared mobility operators are required to submit their best offer with identification of the performance requirements set by the local authority. A financial compensation or insurance is usually offered by the local authority. The best offer will get the concession for a specific part of the city or the entirety.

Like a concession, a permit allows the city to set a limitation on the number of shared mobility providers having access to the market. The difference usually is, that there are sufficient applicants willing to offer their services. In this case applicants need to fulfil specific selection requirements. Applicants that comply are required to demonstrate compliance to requirements set on: equipment, staffing, pricing, data sharing etc. Based on their demonstration the 'best/most suited' operator(s) are selected. A formal commitment between local authority and provider is created. When there is a limited number of permits available it is called a **scarce permit** framework.

Figure 1 provides an overview of the different steps determining the most suitable regulatory framework applicable.

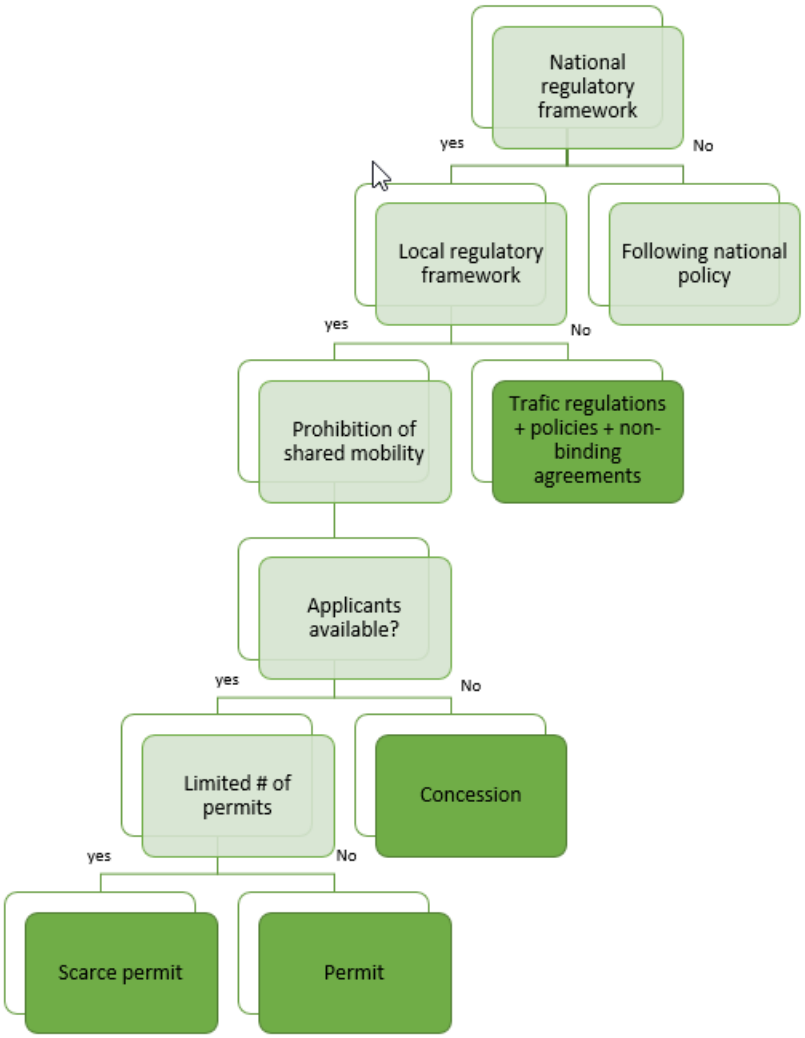

Figure 1: Determining regulatory framework

5. Checklist of a contract for shared mobility provider selection and appointment

There is a curve to be made of the degree of regulation of the shared mobility, visualised in figure 2. It lists the steps to be taken by local government in order execute each specific way of regulating the shared mobility market.

Following checklist sums up important information to be provided by the city, to make sure that providers have the tools needed to decide whether they want to apply and how.

- How is the permit or concession assigned, what is the application procedure and assignment procedure
- Properties of a permit or concession
    - How many permits/concessions are available per vehicle type
    - How many vehicles are minimum or maximum allowed to be provided, perhaps with specification per eHUB and the ways to re-evaluate and adjust the numbers throughout the permit or concession
    - How long is it valid
    - When can it be retracted
    - Can and if so how can it be extended
    - …
- What will be provided by the city
    - What is an eHUB and where will they be located
    - Infrastructure
    - Possible third party payment plans
    - Possible marketing, spread of information to the public
    - …

Selection requirements are the first step in the evaluation procedure. Not complying to these requirements excludes the applicant from the rest of the procedure. A request for additions can be sent before full exclusion.

- Admission requirements for the service provider: For example experience, recommendations, conformity with national business rules…
- Procedure for permit of concession application needs to be done correctly through the correct channels, within the set time frame, required forms and documents need to be made available
- Insurance
- …

Subsequently a weighed comparison of the remaining applicants can be done. There is a wide variety of criteria that can be taken in to account:

- Quality requirements
    - Quality of the vehicles (for example: frame type, gears available, type of brakes, type of sadel, sustainability…)
    - Safety of the vehicles (for example: when an how are the breakes, chain, gears… checked?)

    - Quality of service (for example: how can defects, questions, information be reported/acquired?)
    - Availability of helpdesk
    - Insurance
    - Transparent pricing system
    - …
- Maintenance requirements
    - Re-distribution of vehicles
    - Handling badly parked vehicles
    - Possible battery swap or charging requirements
    - Checks on the vehicles
    - Response rate to broken vehicles
    - …
- Monitoring requirements
    - Tracking system for the vehicles
    - Geo-fencing for locations where vehicles can be dropped of
    - Evaluation of demand and supply (total and per eHUB)
    - …
- Data requirements
    - Requirement to be willing to integrate with MaaS providers
    - Requirement to be willing to integrate with route planners
    - Data sharing
    - …
- Third party cooperation
    - Support local economy cooperating with local based partners
    - …
- End of life plan: What actions will be taken if the shared mobility provider goes bankrupt, or after the permit or concession ends

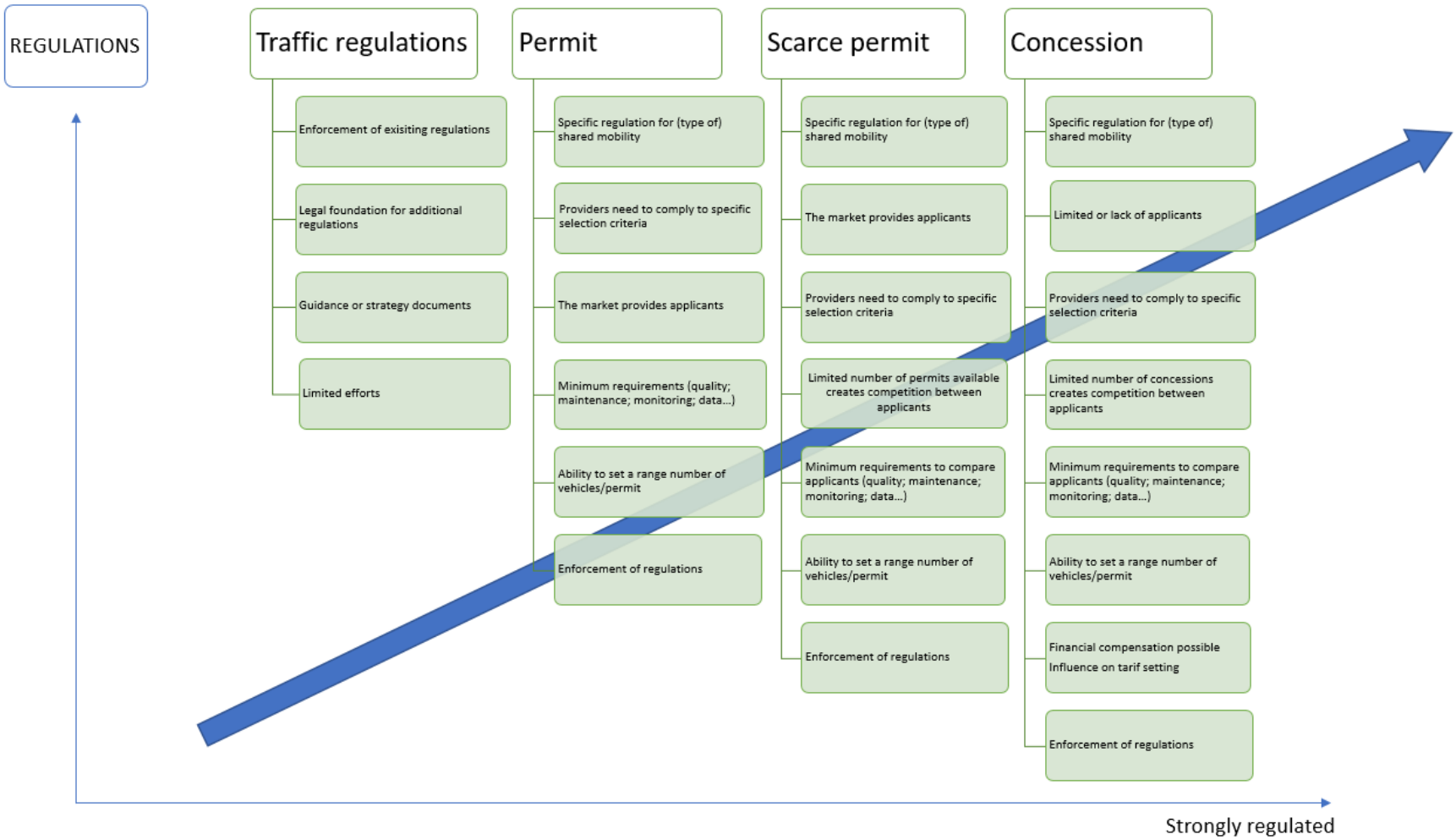

Figure 2: Regulatory options for shared mobility

Appendix: Weblinks of templates and examples of service level agreements

Templates service level agreements

https://www.pandadoc.com/service-level-agreement-template/

https://www.bmc.com/blogs/sla-template-examples/

https://www.slatemplate.com/

https://files.dnr.state.mn.us/aboutdnr/bureaus/mr/sharedservices/ss-sla.pdf

Example of service level agreement

https://vancouver.ca/files/cov/2016-066-public-bike-share-agreement.pdf

Example of a non-binding agreement

http://content.tfl.gov.uk/dockless-bike-share-code-of-practice.pdf

Sources

POLIS; 2019; Macro Managing Micro mobility: Taking the long view on short trips

Moscholidou and Pangbourne; 2019; A preliminary assessment of regulatory efforts to steer smart mobility in London and seatle

Docherty et al.; 2018; The governance of smart mobility

Raymond and Dahl; 2017; Everything you need to know about Car-Sharing; https://www.popularmechanics.com/cars/a9615/everything-you-need-to-know-about-car-sharing-16099125/

Saheen and Wagner; 1999; A short history of Carsharing in the 90's; THE JOURNAL OF WORLD TRANSPORT POLICY & PRACTICE

Baert, Huysmans and Willems (The New Drive); 2018; Beleidskader deelfietsen – deelfietsen als onderdeel van een lokale fietsstrategie

The eHUBS Consortium

The consortium of eHUBS consists of 15 partners with multidisciplinary and complementary competencies. This includes European cities, leading universities, networks and electric and shared mobility providers.

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For further information please visit http://www.nweurope.eu/ehubs

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