

**DERBYSHIRE COUNTY COUNCIL**

**CABINET MEMBER MEETING – JOBS, ECONOMY AND  
TRANSPORT**

**4 March 2014**

Report of the Strategic Director – Economy, Transport and Environment

**CYCLE HIRE PROMOTIONAL OFFERS**

- (1) **Purpose of the Report** To seek approval for promotional offers on cycle hire.
- (2) **Information and Analysis** The cycle hire centre at Middleton Top has seen a reduction in use and revenue over the last few years and it is thought that this can be attributed to many factors including:
- The growth in bike ownership.
  - The number of competitors in the immediate and surrounding area.
  - The growth of different types of cycling experience (eg mountain bike routes) and other activity holiday opportunities.
  - The development of the Monsal Trail.
  - The general economic climate.
  - The cost (a day's hire for a family of 2 adults and 2 children in 2014 is £54).

Cycle hire was developed as an experiment in the 1970s to encourage the exploration of the countryside by bike. It could be argued that it achieved that objective many years ago. However, it continues to operate as a visitor attraction in its own right and remains part of the Authority's "offer" when it comes to promoting cycling generally. Future developments of the "White Peak Loop" and events such as the Tour De France and the Summer of Cycling are also expected to provide a major boost to cycling and the visitor economy in Derbyshire, and provide an opportunity to promote use of the centre. This could be done by development of promotional offers which are marketed across the County in libraries, Tourist Information Centres (TICs) and other similar venues. Currently, there is ample spare capacity mid-week, especially at the start and end of the season (February – May and September – October outside of the school holidays).

## Public

There are a number of offers currently in place for 2014. For example, Gold Card holders can get 10% off and b-line card holders can get half price hire. However, experience has shown that take up is limited.

The proposal therefore is that a promotional offer is developed which will promote hire in the off season period which would consist of:

- A reduction in the fee charged for the hire of cycles to the value of the car parking charge applicable.
- Hire one bike and the second bike will be half price.

To promote this offer the Countryside Service would:

- Produce a “flyer” to be actively distributed around local tourist venues, libraries, etc, which includes a voucher to claim the discount (which has to be filled in to provide information about where the hirer is from and to help monitor the scheme).
- Add the information and a downloadable version of the flyer to the website.
- Promote the offer via any special campaigns organised to promote the Summer of Cycling.

The cycle hire centre is open weekends and school holidays from February half term to October half term, and every day in June, July and August. It is suggested that the offer is implemented in two parts, from April to the end of May (excluding the school holiday weeks) and again, if successful, from September till the end of the season (excluding the half term week). This would mean that additional flyers would have to be printed but it would allow evaluation of the impact of the promotion before committing to the second period, and experience has shown that a second distribution of flyers would be required anyway in order to ensure sufficient coverage was achieved.

**(3) Financial Considerations** The loss in income from people taking up the offers is impossible to forecast as it is not possible to identify if these are people who would have used the service anyway. However, if it is assumed two adults coming by car and hiring two bikes would save £4 on parking and £8 on the second bike hire then this would cost the user £24 rather than £36. This would be a potential loss of income to the Council of £12 or an increase of income of £24, depending on whether they would have come anyway or not.

The cost of producing the promotional flyers is estimated to be £150.

Any costs incurred in promoting the scheme or impact on income will be contained within the Countryside Revenue budget.

## **Public**

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality and diversity, human resources, environmental, health, property and transport considerations.

(4) **Key Decision** No.

(5) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(6) **Background Papers** None. Officer contact details – Chris Coombs, extension 39821.

(7) **OFFICER'S RECOMMENDATION** That a promotional offer for the cycle hire centre at Middleton Top is made which will promote hires consisting of:

- A reduction equivalent to the cost of car parking for anyone who is hiring a bike as a general inducement.
- Hire one bike and the second bike will be half price.

**Mike Ashworth**  
**Strategic Director – Economy, Transport and Environment**