



10.1 **CAR SHARE POLICY & GUIDELINES REVIEW**

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1. PURPOSE

- 1.1 To seek endorsement for Council's Draft Car Share Policy 2023-2028 (Draft Policy) (**Attachment 1**) and Draft Car Share Guidelines (**Attachment 2**) to be released for community consultation.

2. EXECUTIVE SUMMARY

- 2.1 The City of Port Phillip is one of the most densely populated municipalities in Melbourne, however our road network is finite, and we have limited capacity to increase on-street parking capacity and vehicle movement.
- 2.2 Council's Move, Connect, Live: Integrated Transport Strategy has a target to keep the number of cars in our city to 2015 levels to avoid an increase in traffic and parking pressures.
- 2.3 Car share enables users to gain short term access to cars on an "as-needs" basis without the need for private ownership. This aligns with the Council Plan 2021-31 key objective: **Liveable**: making it easier to connect and travel within our City.
- 2.4 On average, every car share vehicle services around 20 people, and car share members in our City are likely to avoid buying a car, or to defer the purchase of a second vehicle. Combined, these factors result in one car share vehicle removing an additional nine vehicles from our streets.
- 2.5 The Draft Policy aims to increase the use of car share across the city to assist in improving parking availability, reducing traffic congestion and greenhouse gas emissions, and providing access to vehicles for our community, without the cost of owning one.
- 2.6 The Draft Policy retains most of the settings in the 2016 Policy. Changed settings include the introduction of a coverage target, vehicle usage targets, new measurement for membership targets and changed emission requirements.
- 2.7 To align with Council's current practice of separating operational and strategic documents the roles, responsibilities and procedures from the previous Policy have been moved to Car Share Guidelines.
- 2.8 Officers propose a five-week consultation period in September 2022 followed by a report to Council on the feedback and seeking Council endorsement for a revised policy in early 2023.



3. RECOMMENDATION

That Council:

- 3.1 Endorses the release of the Draft Car Share Policy 2023-2028 and Guidelines for community consultation for a five-week period commencing in September 2022.
- 3.2 Delegates to the Chief Executive Officer the ability to make minor editorial amendments to the Draft Car Share Policy 2023-2028 and Guidelines as outlined in Attachment 1 and Attachment 2 to facilitate community consultation.
- 3.3 Notes that a report on the outcomes of the community consultation, including an updated Car Share Policy 2023-2028, and Guidelines, will be presented to Council in early 2023.

4. KEY POINTS/ISSUES

Background

- 4.1 The City of Port Phillip was one of the first municipalities in Australia to adopt an "On-Street Car Share Policy" in September 2012.
- 4.2 This policy was replaced with the Car Share Policy 2016 (2016 Policy) which has been recognised by industry and other government agencies as providing a national reference for car share implementation. The policy enabled the expansion of car share in Port Phillip from an emerging transport option to the current maturing stage.
- 4.3 The 2016 Policy adopted a demand responsive approach, expanding outwards from proven markets where usage and membership growth were highest. This has resulted in longer distances between vehicles in areas such as Elwood, Middle Park, Albert Park and St Kilda East
- 4.4 Between June 2016 and April 2022:
 - 4.4.1 Membership trebled from 2,996 to 9,007 people and there has been an increase of car share members from 3 percent to over 8 percent of the total population. The policy target of 10 percent of total population was on track to being achieved prior to Covid restrictions in 2020-2021.
 - 4.4.2 There has been a 150 percent growth in car share bays from 86 bays to 215.
 - 4.4.3 There has been an 89 percent growth in total hours car share vehicles are booked.
- 4.5 Monash University research found that car share members in our City are likely to avoid buying a car, or to defer the purchase of a second vehicle. This reduction in car ownership equates to one car share vehicle removing an additional nine vehicles from our streets, freeing up residential parking spaces. (Taru Jain, 2018).
- 4.6 Car share is maturing in Port Phillip and the Draft Policy aims to increase the use of car share across the city through the ongoing development of a network of easily reached, well distributed, affordable car share vehicles.



Draft Policy for Consultation

- 4.7 To assist in the development of a new policy, Council commissioned Movement and Place Consultancy to produce a Best Practice in Car Share Policy report in 2022 (**Attachment 3**). The Report identified the community benefits associated with access to car share services, and that future growth could reduce traffic congestion that will otherwise occur with population growth. The report reviewed international case studies and recommended a new vehicle coverage target to improve access to the service.
- 4.8 The Draft Policy recommends maintaining most of the 2016 Policy settings including existing qualification requirements for new Car Share Providers (CSPs) and continuing to host multiple CSPs to achieve the benefits of competition. Other changes proposed to the 2016 Policy are considered below.

Membership Target

- 4.9 The proposal is to exclude people under 18 years of age from the membership target. This is in response to CSPs requiring that members must be at least 18 to have an account. A consequential amendment to the 2016 Policy is proposed that will increase the membership target of 10 percent of the total population to 12 percent of the population over 18 years of age.

New Coverage Target

- 4.10 A new coverage target of a maximum distance of 250m to a car share vehicle for 90 percent of our City (excluding Fishermans Bend) is proposed. 250m typically represents just over a three-minute walk. This would reduce the distance from residences and businesses to car share vehicles. It is not proposed to include Fishermans Bend in the 250m coverage target due to uneven development and population growth expected across Fishermans Bend.
- 4.11 To support the delivery of vehicles within 250m of properties, community feedback will be sought on proposals to:
- 4.11.1 Trial a car share vehicle in streets without parking restrictions for up to 8 months to prove demand prior to incurring installation costs. These trial vehicles would not be in a marked bay. Officers would seek community feedback and consider usage data prior to deciding on making the location permanent.
- 4.11.2 Consider higher fees for new vehicles in high demand bays in proven markets. This could be used to off-set lower fees being charges in Council-identified priority locations outside proven markets.

Vehicle Usage Target

- 4.12 To ensure the best use of our limited on-street parking space, a new target of a minimum of 60 hours per month usage for established individual car share vehicles has been included in the draft Policy. The utilisation rate takes into account targets set by other Councils, operational targets set by car share providers, research on usage of privately owned vehicles and current car share utilisation rates.
- 4.13 Under the proposed Policy operators would be required to provide quarterly car share usage reports that would be treated as commercially confidential for 12 months. Using this data, Council would then publish retrospective quarterly usage summaries of car share vehicles by area.



- 4.14 Where, averaged over three consecutive months, the usage of a car share space is less than 60 hours per month, Council would work with the operator to understand any mitigating circumstances before considering withdrawing or reallocating the space. Operators would be provided with 12 to 18 months to reach usage targets.

Target number of network vehicles

- 4.15 The proposal is to maintain a minimum target of 330 car share vehicles across the municipality by 2028. With the current baseline of 215 vehicles, this could be achieved by installing an average of 22 new car share vehicles annually between 2023/24 and 2027/28.

Emission requirements

- 4.16 It is proposed to require the average emission for individual passenger vehicles to be 155 grams of carbon dioxide equivalent emissions per kilometre with the exception of SUVs, vans/people movers or utility vehicles, where the vehicle must be a high environmental performer as per the Australian Government's [Green Vehicle Guide](#).
- 4.17 Car share providers have indicated that the 2016 Policy average fleet emission target of 145 grams of carbon dioxide equivalent emissions per kilometre is difficult to meet due to the availability and cost of vehicles in Australia and that this limits Port Philip to smaller vehicles and/or more expensive hybrid options. Reduced fleet options and increased costs will be passed on consumers which may impact the ability to attract and retain members.
- 4.18 It is proposed that Council encourages the inclusion of hybrid and electric vehicles to the fleet as vehicle availability and affordable options improve and barriers to implementing charging infrastructure are addressed.
- 4.19 Community demand for lower emission vehicles (hybrid and electric vehicles (EV)) within the car share fleet, along with operator capacity to supply these will be investigated through consultation on the Draft Policy.
- 4.20 Initiatives to support greater use of hybrid and electric vehicles by CSPs will be explored through consultation on this Policy and Guidelines in addition to Council's review of Act and Adapt and the development of a Climate Emergency Action Plan throughout 2022/23.

Operational changes

- 4.21 Council officers have updated the 2016 Policy to create separate Car Share Guidelines to complement the Car Share Policy (see **Attachment 2**)
- 4.22 In these draft guidelines it is proposed to trial increasing the number of times on-street car share bays are allocated by Council officers to CSPs from twice to three or four times per year to increase flexibility and even-out Council officers' workload.

Fees and Charges

- 4.23 In determining appropriate establishment fees and annual charges the following factors have been considered:
- 4.23.1 Costs associated with the installation of a new on-street car share bay.
 - 4.23.2 Administration and management costs including officer time dedicated to the expansion of the network of car share bays.
 - 4.23.3 Costs charged by other municipalities.



- 4.23.4 Consideration of the impact on the community of increased costs.
- 4.23.5 The ability of CSPs to afford additional costs.
- 4.24 Currently an establishment fee of \$1,400 per bay is charged to CSPs to cover the cost of installation of a new car share bay including signage, line marking and consultation materials. This fee forms part of the agreement with operators.
- 4.25 In addition, an annual licence fee is charged for all established car share bays in line with the cost of a residential permit. This fee is currently \$85 and is reviewed annually in line with residential permits.
- 4.26 Council officers completed benchmarking with other local councils. Table 1 is a summary of the establishment fees and annual fees charged by municipalities in Melbourne and Sydney. In summary,
 - 4.26.1 Council's establishment fees (\$1,400) are higher than in other Melbourne LGAs except for the Hoddle Grid in City of Melbourne (\$1,500) and ticket parking areas in City of Maribyrnong (\$1,500).
 - 4.26.2 Council's annual fees (\$85) are lower than most Melbourne LGAs except for the City of Darebin (\$0 – no annual fee) and the City of Maribyrnong (\$50 for non-ticket parking area).
- 4.27 The Draft Policy proposes an installation fee of \$1,500 per bay to recover all costs associated with the installation of new car share bays including lines, signage, consultation, and officer time. This fee will be subject to review for CPI increases.
- 4.28 Benchmarking against other LGA car share fees suggests that increasing the annual fee to \$120 to align with increases to Council's Parking Permit fee is an appropriate annual fee (balanced against the higher establishment fees in our City). The impact of this increase in fees will be considered during consultation with car share providers, other stakeholders, and the community.

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Table 1: Benchmarking fees and approaches in municipalities in Melbourne and Sydney

LGA	Once-off establishment fee for new bays	Annual fee	Additional charges	Approach to cost recovery
City of Port Phillip	\$1,400	\$85 (same as resident parking permit)	Full cost for removal of a car share bay	Recover cost of installation and part of officer time. In 2016 Councillors decided not to increase fees
City of Melbourne	\$1,500 Hoddle Grid, \$1,000 Central City Parking Meter Area excluding the Hoddle Grid \$525 Outside the Central City Parking Meter Area	\$3,000 Hoddle Grid \$2,000 Meter area outside the Hoddle Grid \$25 Annual fee outside central meter area	NA	Partial cost recovery Actual costs are included in confidential licence agreements with each car share provider.
City of Yarra	\$650	\$300		Cost neutrality excluding officer's time
City of Stonnington	\$650	\$500 in paid parking areas or shopping strips where parking could be used for outdoor dining permits \$300 all other locations	Full cost for removal of a car share bay	Seek to recover costs through establishment and ongoing fees (spread out costs to operators)
City of Darebin	\$1,000	NA	NA	Recover cost of installation not officer time
City of Moreland	Operator pays site specific cost for signs and lines (typically \$850)	\$139.10 (base rate, pegged to business parking permit fee with discounts outside proven markets)	NA	Recover cost of installation not officer time
City of Maribyrnong	\$500 Non-ticket parking area \$1,500 Ticket parking area	No annual fee for the first 2 years. After this: \$50. Non-ticket parking area \$250 Ticket parking area	NA	Partial cost recovery
City of Sydney	\$2,466 (includes Application, Administration, partial cost recovery installation)	178.50 partial cost of parking permit	Full cost Parking Space Levy (Recovery of the City's costs) Full cost removal of a car share space \$28 Replace permit partial cost \$1713.50 Partial cost recovery New operator application fee \$477 Partial cost recovery for Administration for minor changes	Partial cost recovery except for Parking Space Levy and removal of car share space.

5. CONSULTATION AND STAKEHOLDERS

5.1 Initial stakeholder consultation on the draft Policy has taken place with:

- 5.1.1 Internal stakeholders including Strategic Transport, Transport Safety, Parking Enforcement, Property and Assets, Community Building and Inclusion, Sustainability and Climate Change.
- 5.1.2 The four Car Share Providers operating in the City of Port Phillip.
- 5.1.3 Council officers from LGAs in Melbourne and Sydney to benchmark fees and policy settings.

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- 5.2 Council officers propose a five-week consultation on the Draft Policy between September and October 2022 (details listed below) which will include targeted consultation with different community groups and stakeholders.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 Council currently undertakes a qualification process for CSPs; this has been maintained in the proposed new Guidelines.
- 6.2 Council currently has licensing agreements with four providers (Flexicar, GoGet, Kinto and PopCar) to 30 June 2023. It is proposed to complete the policy review before 30 June 2023 to allow new licensing agreements to reflect any new policy settings.
- 6.3 If charges and fees for on-street car share bays are too high, expansion of the network of car share vehicles is likely to slow and increase costs for community members who are CSP members.
- 6.4 Other service models including tender based were considered through an independent report on best practice for Car Share policy (see **Attachment 3**). The report supported Council's current service model of multiple operators.

7. FINANCIAL IMPACT

- 7.1 All costs associated with the installation of a new on-street car share bay would be recovered from the car share providers through the establishment fee and would be subject to annual review.
- 7.2 The annual licence fee charged for all existing on-street car share bays defrays the cost of officer time dedicated to managing the implementation of the Policy and monitoring performance and reporting. This fee would be reviewed annually as part of the Council Plan and Budget Fees and Charges process.
- 7.3 The proposed increase in these fees could result in full cost recovery by Year 3 of the Policy implementation.
- 7.4 An independent Business Case Review (BCR) completed as part of developing the 2016 Policy indicated that investment in Car share by Council delivered a BCR of \$2.43 for every \$1 spent. Benefits included the value to the community of reduced congestion, health benefits of additional walking and reduced air pollution, greenhouse gas emissions and noise; value to individuals of not owning a car or a parking space and driving less. Costs to Council and the community included installation of new bays, administration of car share and community value of space used by CSPs.

8. ENVIRONMENTAL IMPACT

- 8.1 Greenhouse emissions from automotive transport make up approximately 9 percent of emissions from our City. Car share services and reduced car ownership and use helps reduce the carbon footprint.
- 8.2 Car share vehicles are required to comply with Council's requirements on carbon dioxide equivalent emissions per kilometre.
- 8.3 Lower emission vehicles (plug-in hybrid and electric vehicles) may be incorporated into car share fleets as their purchase costs decrease and more electric vehicles and charging facilities are available in our City.
- 8.4 Targets for the introduction of hybrids and electric vehicles have not been set in the draft policy. Community feedback will be sought through the consultation process on



the level of interest for the introduction of electric vehicles for the car share fleet with possible accompanying higher fees to support their introduction.

9. COMMUNITY IMPACT

- 9.1 Changes to the provision of car share could impact the 8 percent of our community (9,007 adults) that are members of a car share scheme.
- 9.2 Car share assists in realising Council's strategies and plans to manage parking and congestion.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 Car Share delivers on key objectives from the "Liveable, Inclusive and Sustainable sections of the **Council Plan 2021-31**.

- 10.1.1 **Liveable:** A City that is a great place to live, where our community has access to high quality public spaces, development and growth are well-managed, and it is safer and easy to connect and travel within

The Plan identifies "Getting around our dense inner City of Port Phillip" is one of eight long-term challenges and the need to address issues including:

Ours is the most densely populated municipality in Victoria, making transport, parking, and mobility critical issues in Port Phillip. Our Transport planning and advocacy must assist everyone to safety and easily move around and through our City.

- 10.1.2 **Inclusive:** A City that is a place for all members of our community, where people feel supported and comfortable being themselves and expressing their identities.

Port Phillip is a place where people of all ages, backgrounds and abilities can access services and facilities that enhance health and wellbeing through universal and targeted programs that address inequities

- 10.1.3 **Sustainable:** A City that has a sustainable future, where our environmentally aware and active community benefits from living in a bayside city that is greener, cooler, cleaner and climate resilient.

- 10.2 Council's **Move, Connect, Live Integrated Transport Strategy 2018 – 2028**, Outcome 5 recognises that – Our community benefits from new transport options and technology to move around.

The Strategy states that "Port Phillip is a national leader in the introduction of a car share policy and has successfully met early targets for car share bays. Council will continue to increase the number of car share bays across the municipality and continue to collect ongoing data to monitor usage trends across the various operators to ensure the greatest community benefit".

It includes the following actions:

- 10.2.1 Action 36: continue to deliver more convenient car share locations with providers and encourage car share provision in new developments.
 - 10.2.2 Action 37: Review the Car Share Policy 2016 to 2021
- 10.3 Council's **Parking Management Policy 2020** provides a framework for the ongoing management of our existing 53,000 on-street and 4,000 Council-managed off-street spaces used for parking.



The overarching objectives are to:

- 10.3.1 Address the City's existing and future growth and transport challenges.
- 10.3.2 Provide fairer and more reliable access to parking in all locations and at all times

It includes 2.1 Hierarchy of parking allocation of kerb space to types of parking which best reflect the needs of people in a specific street or area. It identifies Car share services having "Designated spaces for fixed-base car share vehicles, licensed by Council"

- 10.4 As set out in Section 37 of the Victorian **Road Management Act, 2004** Council is the co-ordinating road authority for municipal roads and the responsible road authority for parts of declared arterial roads not used by through traffic including parking lanes.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

September-October 2022: Community consultation on the Draft Car Share Policy and Guidelines

November – December 2022: Feedback collated, and Policy updated

February 2023: Consultation feedback and updated Car Share Policy and Guidelines presented to Council for endorsement

March-April 2023: Revised Car Share contracts and Licence Agreements drafted and formalised

1 July 2023: New Car Share Policy comes into effect

11.2 COMMUNICATION

Council officers propose a five-week consultation on the draft car share policy between September and October 2022 involving:

- 11.2.1 Have Your Say online survey.
- 11.2.2 Interactive map showing existing car share locations and inviting people to nominate new car share locations.
- 11.2.3 Council website page with link to Have Your Say Page.
- 11.2.4 On-street consultation sessions (two).
- 11.2.5 On-line consultation forum.
- 11.2.6 Targeted consultation to hear from women, gender diverse people, parents of young children, people with a disability, older people, culturally and linguistically diverse groups and people who don't own a car to identify barriers and enablers for car share in our City.
- 11.2.7 Collecting gender and other demographic data to inform the Policy and Guidelines
- 11.2.8 Collecting community feedback on emission requirements and inclusion of electric vehicle targets.
- 11.2.9 Key stakeholder session with car share providers

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Key messages:

- 11.3 Attractively priced and well-managed car share schemes broaden travel options and provide cost-effective alternatives to owning, driving, and maintaining your own car.
- 11.4 Car share benefits everyone making our streets more liveable with fewer cars on the road and less local traffic making it easier to get around.
- 11.5 Car share is a transport option used by a significant proportion of our community. About 9 percent of the eligible population aged over 18 years (over 9000 people) are members a qualified car share scheme.
- 11.6 Car share helps reduce overall car ownership (freeing up residential parking spaces) and usage which reduces traffic congestion.
- 11.7 Using car share services is one of the most significant ways our residents can reduce their carbon footprint. Members typically drive half the distance that non-members drive.
- 11.8 Council is seeking to lower barriers to using car share making it more convenient for everyone.

12. OFFICER DIRECT OR INDIRECT INTEREST

- 12.1 No officers involved in the preparation of this report have any material or general interest in the matter.

ATTACHMENTS

- 1. Attachment 1 - Draft Car Share Policy  [Download](#)
- 2. Attachment 2- Draft Car Share Guidelines  [Download](#)
- 3. Attachment 3 - Port Phillip Car Share Review  [Download](#)