Item 9.5
At Council
7 April 2025

Relevant Information for Council

FILE:	**X111618**	**DATE:**	4 April 2025
TO:	Lord Mayor and Councillors		
FROM:	Kim Woodbury, Chief Operations Officer		
THROUGH:	Monica Barone PSM, Chief Executive Officer		
SUBJECT:	Information Relevant To Item 9.5 – Post Exhibition - Car Sharing Policy		

For Noting

This memo is for the information of the Lord Mayor and Councillors.

Purpose

To provide additional information on the 5% cap on the number of dedicated on-street car share spaces and options to address illegal parking in car share spaces.

Background

At the meeting of the Transport, Heritage and Planning Committee on 31 March 2024, further information was sought on:

5% cap on the number of dedicated on-street car share spaces

The cap specifies that the maximum allocation of on-street parking spaces for car sharing spaces is 5% of all parking spaces per parking area.

Rationale for a cap on number of dedicated on-street car share spaces per parking area

Certainty

Including an explicit cap in the Car Sharing Policy on the number of on-street car sharing spaces provides certainty for the community, including car share members and non-members, that an excessive number of dedicated car sharing spaces will not be implemented on their street, or in their neighbourhood.

A cap provides certainty for car share members on the maximum level of car share vehicles in their area.

A cap provides certainty to all current and potential car share operators in our area on the amount of potential on-street parking spaces for car share vehicles in a parking area (i.e. providing certainty for their market)

Manage maximum supply:

The cap is designed to indicate the maximum number of on-street car share spaces in each area for each period between Policy reviews - at which time Council can revisit the cap in consultation with the community.

Preferential allocation:

An additional reason for a cap on the number of dedicated on-street car share spaces in the Policy is to enable the existing "Preferential Allocation" clause. This clause is designed to assist competition amongst car share operators. It states:

> In precincts where more than 75% of **potential** on-street spaces in a precinct are held by a single operator, the City will issue remaining spaces preferentially to another eligible operator in order to facilitate competition and user choice.

The cap allows a determination of "potential on-street spaces" for the purpose of this clause. If there is no cap, the City would have to generate a different metric to determine "potential on-street spaces" to ensure this clause can contribute to maximising competition.

Rationale for the cap on the number of dedicated on-street car share spaces to be 5%

The City chose 5% for the cap on the number of dedicated on-street car share spaces for a number of reasons:

(a) 5% aligns with the cap previously contained in the NSW Government Technical Direction that, under NSW transport legislation, the City's scheme had to operate. Transport for NSW updated that Technical Direction in 2019, removing the cap to enable local councils to create schemes that reflected their circumstances.

    (i) This 5% cap from the NSW Government informed decisions within the City's scheme.

(b) A 5% cap allows for growth in all areas across the upcoming Policy cycle.

    (i) Dedicated on-street car share spaces as an approximate proportion of total on-street parking spaces is provided below:

- 13 Centennial Pk & Sth Paddington: 0.8%
- 15 West Paddington: 1.4%
- 16 Millers Point: 1.6%
- 17 Darlinghurst: 3.3%
- 18 Surry Hills: 3.2%

- 19 Kings Cross: 4.3%
- 20 Pyrmont Ultimo: 3.4%
- 21 East Sydney: 3.9%
- 22 Newtown: 2.6%
- 28 Woolloomooloo: 3.1%
- 32 Chippendale: 2.3%
- 35 Zetland, Beaconsfield & Rosebery: 0.9%
- 36 Erskineville & Alexandria: 1.4%
- 41 Redfern: 1.9%
- G Glebe: 1.2%

Note that the exact proportion varies depending on issues such as construction, maintenance, reallocations amongst other issues. The proportions above do not include a small number of some spaces not currently in service as they are former Car Next Door spaces in the process of being reallocated to other operators.

(ii) Only one parking area (19 Kings Cross) exceeds 4%.

(c) The Policy already has an "installation cap" that limits the amount of spaces that can be installed in parking areas each month, to manage the rate of change, while allowing for growth and increase competition:

(i) In low coverage parking areas (areas of less than 3.5% of on-street parking spaces allocated to car share) four spaces per month in any single parking area, and eight spaces total across the LGA. (*3.3. Low coverage areas*)

(ii) In high coverage areas (areas where on-street car share spaces account for more than 3.5% of available on-street parking) two spaces per month in any single parking area, and four spaces total across the LGA. (*3.4 High coverage areas*)

These "installation caps" are designed to limit the 'rate of change' within the communities where they are located as well as reflect the capacity for the City to convert spaces to car share.

(d) Where an area does reach or approach close to the cap, the policy intent is that the system will respond by focussing growth on other areas with lower coverage, supporting the spatial distribution across the whole of the City of Sydney.

The City determined the 5% cap on the number of on-street car share spaces should apply equally in each parking area (rather than averaged over the whole City of Sydney LGA) to:

- achieve equity of access, and to support spatial growth of the system across the whole City of Sydney.

- avoid impacting the community due to flooding parking areas that are attractive to car share operators with too many car share spaces.

Engagement on the 5% cap on the number of dedicated on-street car share spaces

The proposal taken to the community was for a 5% cap for car share spaces in each parking area.

The 5% cap on the number of on-street car share spaces was included in the draft Policy exhibited for community comment after Council consideration and endorsement in November 2024.

From the online survey, 5 respondents supported the 5% cap, 6 respondents thought the cap was too high, 8 thought the cap was too low and 3 had no preference. Similar differing sentiment was reflected in the open responses (with only a few respondents mentioning the cap or number of car share spaces; support or otherwise varied).

Priorities for the future growth of car sharing

The cap is not designed to indicate a target for car sharing; there is no current target.

Car sharing has grown from 0% of the City's on-street parking spaces to a median of 2.2% of on-street parking spaces since the late 2000s, with the City's on-street scheme one of the most successful in the world.

The priorities for future growth are to (a) increase competition between operators in all areas; and (b) expand community access to the system by increasing coverage and competition in areas with relatively low current operator presence.

GoGet's request

GoGet requested that the City add wording to section *3.1 Installation* of the Policy. Please note that this request refers to both the 5% cap on the number of car share spaces and on the monthly installation cap. The request is shown as follows (GoGet's proposed addition in bold):

> The City will set a maximum allocation of car share spaces for each parking area. The maximum allocation will be 5% of parking spaces for each area (at time of application).
>
> The City will set caps on the maximum monthly installation. These will respond to the resourcing required to consult and install, a reasonable rate of change in areas, and the need to enable more competition between operators. **The City, at its sole discretion, can increase the caps on parking areas or on the maximum monthly installation in response to growing demand or market changes (e.g. the introduction of new public transport or bike lanes in an area where increased mode shift is desired). These changes will be communicated to operators and published on the City of Sydney's carshare website**.

In addition, GoGet requested that the City add similar wording to *3.3 Low coverage areas* and *3.4 High coverage areas*. This request refers to the monthly installation caps in high and low coverage areas. (suggested text by GoGet in bold)

> **The City of Sydney, at its sole discretion, can increase this cap in response to demand or market changes (e.g. the introduction of new public transport or bike lanes in an area where increased mode shift is desired). These changes will be communicated to operators and published on the City of Sydney's carshare website.**

The City does not support these proposed amendments. The key considerations are:

- The amendments would be a significant change to the Policy that has not been consulted with the community, including community members who are not members of car share organisations. The making or amending of a publicly exhibited Council policy is a matter which has not been delegated to the CEO and inclusion of a clause of this nature would be inconsistent with that position.

- Most parking areas do not have numbers of on-street car sharing spaces near the 5% cap, and are unlikely to do so during the life of the Policy before its next review.

- There is no evidence of an issue with the monthly installation cap or the proposed 5% allocation of parking cap. Rather, the City's operators have been in a state of flux during and since the Covid pandemic. The operator with the most spaces (GoGet) recently vacated around 40 of its own spaces voluntarily. Car Next Door recently exited the market, and their 104 spaces are in the process of being reallocated to other operators.

- GoGet's additional text suggestions would undermine the "certainty" benefits of introducing a cap on the proportion of on-street car share spaces and on the existing installation caps for an area. Instead, the suggested text would signal to the community and the industry that the City can determine the number of spaces at any moment, without consultation with the community or going via Council.

- GoGet proposes circumstances where the City may change the caps. These circumstances are poorly defined and unfit for this purpose

Conclusion

If Council considered that the proposed 5% cap on the number of car share spaces unduly restricts the potential for further growth in the car sharing system in parking areas such as Kings Cross, revision of the cap could be included in the next Policy review.

Managing illegal parking in car share spaces

Background

The issue of non-car share vehicles illegally parking or stopping in dedicated on-street car share vehicle spaces is well recognised. If this occurs at the end of a member's trip, they may need to park the car share vehicle nearby. When the car sharing vehicle is not booked for another trip, or the operator does not arrange for the vehicle to be moved back to the car sharing space when vacated, the community experiences a car-share vehicle occupying a different space, and an empty car sharing space nearby. In many circumstances, the car share vehicle will now be illegally parked, and subject to enforcement.

The City deters the illegal occupation of car sharing spaces via regular area-wide enforcement. Issuing a Penalty Infringement Notice (PIN) requires investigation and evidence of alleged unlawful parking. As with all non-compliant parking behaviour, it is not possible for the City to detect and enforce all illegal occupations of on-street parking spaces. The NSW Government sets the penalty for this offence and there is no demerit point associated, so the overall deterrent level is considered at the low end of the scale.

Car share operators who have their vehicles infringed for the subsequent illegal parking in another space often approach the City, or Revenue NSW, to have appropriately issued PINs cancelled, due to the perceived "unfairness" of the enforcement.

The draft Car Sharing Policy supports a solution to illegal parking in car share spaces

Following the 2016 Car Sharing Policy review, the City worked with car sharing operators to determine operational solutions that could minimise the impacts on all parties of these incidents. Despite consideration of the issue in the 2016 Policy review, there was no explicit reference in the Policy to guide the approach, and no changes were made to the Car Sharing Permits to create a formal ability of the car sharing vehicle to park in other on-street parking spaces when the dedicated space was illegally occupied. It was generally agreed to amend the Policy in subsequent reviews to create the certainty required for an operational response.

The City therefore included a specific amendment on this issue in the draft Policy discussed at Committee in November 2024 then exhibited to the community after Council consideration. The amendment specified that the permit for the car share vehicle will

> allow the car to be parked in nearby 'permit excepted' spaces if the dedicated space is illegally occupied.

If this amendment to the Policy is adopted, the City will then work expeditiously to develop an operational approach that supports this Policy amendment. This will require detailed consideration of issues such as:

- The specific wording of the permit terms and conditions, to reflect the Policy change.
- Operator obligations and available methods to remove car sharing vehicles from other non-dedicated spaces as quickly as possible, when the time limits and restrictions require them to do so.
- The ability of Rangers to determine when a car sharing vehicle is exercising this permit condition (that the car sharing space was illegally occupied when the car sharing vehicle was attempting to return), rather than the car sharing vehicle just parked elsewhere for member convenience.
- The opportunities for car sharing members to park legally in the streets around each space, noting that time limits and hours of operation will vary markedly across the City
- The resourcing impact for the City to respond to the complexity of the issue in real time.

The City will consult with operators as we develop an integrated approach.

The City does not consider that this level of operational detail, when finally agreed, is appropriate for inclusion in the Policy. Given the complexities of the issue, the City may choose to trial an approach and amend if required.

Councillors will be updated via the CEO Update on implementation as it progresses.

Policy review period

A further review of the revised policy has found an administrative error in the policy review period. The revised policy indicates that it will be reviewed every 3 years (rather than the standard 4 years). The policy will be updated to indicate that it will be reviewed every 4 years. Note that the policy review can be brought forward if required.

Memo from Kim Woodbury, Chief Operating Officer

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Approved

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