Item 3.3

Local Rules for Share Bike Companies Operating in the City of Sydney

File No: S051491

Minute by the Lord Mayor

To Council:

Share bikes are an important part of Sydney's transport network. They provide a sustainable transport option and help reduce reliance on cars. However, the rapid growth of share bike schemes has also created ongoing challenges for people walking, people with disability, businesses and residents, particularly where bikes are parked inappropriately.

I have advocated for stronger regulation of share bike operators since 2017. We have called on the NSW Government to establish a regulatory framework that caps share bike fleets and the number of operators and that provides councils with enough funding for bike parking and staff resources. We are also calling for the strengthening of parking enforcement powers and making operators accountable for the impact of their services.

On 14 August 2026, the NSW Government gazetted the Road Transport (General) Amendment (Micromobility Shared Arrangements) Regulation 2026, establishing a statewide framework for the approval and operation of share bike schemes. The new framework makes the NSW Government responsible for Share Bikes in NSW and introduces a 2-stage process that involves operators obtaining approval from Transport for NSW (TfNSW) and also obtaining authorisation from Council before operating.

While the regulation provides Councils with new powers to authorise operators and impose local rules (known as 'Operator Conditions'), many elements of the scheme remain centrally controlled by Transport for NSW. The City remains concerned about:

- **Share bikes parking on footpaths**: The Regulation treats a share bike as being parked in a Micromobility Parking Bay if it is within 3m of the bay boundary.
- **Enforcement:** The regulations do not provide councils with effective enforcement powers to address poor parking and share bike clutter on footpaths.
- **Funding:** The City remains dissatisfied with the fee structure, where each share bike trip generates $0.80 in funding from share bike companies, but only 25% of this per-trip fee coming directly to councils.
- **Transport for NSW overriding the City's decisions:** Although the City can 'authorise' share bike companies to operate locally Transport for NSW can still overturn those decisions. It is critical that decisions by Council about share bikes in their area and are not overridden by the Transport for NSW.

Scope of Operator Conditions

The new NSW Government regulations allow Councils to establish Micromobility Parking Bays and controls to share bike use, such as Controlled Micromobility Parking Zones, which are areas where riders must use designated Micromobility Parking Bays, no-go zones and go-slow zones. Councils may also set a cap on the number of share bikes allowed in their area, and levy the council component of the per-trip fee.

However, Transport for NSW determines standard conditions, including certain parking rules and enforcement thresholds that councils cannot amend. During the authorisation process, the City can impose Operator Conditions specific to our area.

Accordingly, it is important that the City adopts a clear and principled approach to developing Operator Conditions under which operators can provide services but, considering the limited pathways for enforcement provided in the NSW Government regulations. The City's Operator Conditions also need to maximise protection of amenity, access and safety on our footpaths and in our public domain.

Principles for Operator Conditions

1. Keeping footpaths clear, safe and accessible

Our first priority is ensuring that share bikes do not create obstructions in the public domain.

Operator Conditions should be developed to:

- ensure share bikes do not obstruct pedestrian movement or accessibility by prioritising the needs of people with disability, older people and other users of public space
- require share bikes to be parked neatly and upright
- ensure bikes are parked in Micromobility Parking Bays
- prevent excessive concentrations of share bikes in any one location
- reflect the cap on the number of operators and share bikes deployed in our area, nominated by Council
- support the orderly deployment of share bikes across the local government area.

2. Operators must be accountable for the management of their assets and services

Share bike operators should bear full responsibility for the management of their fleets and the impacts of their services.

Operator Conditions should be developed to require operators to:

- respond promptly to complaints and operational issues, so that the community has clear and simple reporting avenues when things go wrong
- maintain effective customer service and a 24-hour contact point
- actively monitor fleets rather than relying on community complaints
- remove or rectify poorly parked, damaged or toppled bikes within a specified timeframe
- be responsible for educating riders and providing disincentives for poor behaviour
- provide mechanisms for the City to review their performance and take action where operators repeatedly fail to comply with authorisation requirements.

3. Operators must use technology and systems to prevent poor user behaviour

We expect operators to use available technology and operational systems to prevent their share bikes causing problems, rather than relying on Councils to enforce or merely responding after the fact.

Operator Conditions should be developed to require operators to:

- use geofencing and other technologies to support compliance with local parking and riding requirements and penalise riders where necessary
- enable topple detection on all share bikes
- promote responsible riding in accordance with the road rules
- control audible notifications on share bikes and limit noise associated with management and deployment of share bikes
- support the establishment of Micromobility Parking Bays, Controlled Micromobility Parking Zones, no-go zones and go-slow zones
- make parking requirements clear to riders, to compensate for imprecise geofencing and when Micromobility Parking Bays are not present
- communicate with riders to end trips only in authorised locations where applicable
- encourage accurate location technology that improves compliance and enforcement outcomes
- support ongoing innovation that improves safety, accessibility and public amenity.

4. Operator conditions must be practical and enforceable

We want to ensure that conditions we set can be effectively monitored and enforced and will deliver measurable improvements in public space outcomes.

Operator Conditions should:

- be drafted in consideration of the limited enforcement pathways envisaged in the NSW Government regulations
- include clear performance expectations
- provide for regular review of operator performance
- be informed by operational experience and community feedback
- be informed by data provided through the regulatory framework
- be reviewed and refined as the new regulatory framework matures.

Timeframe for implementation

Although the NSW Government gazetted the new share bike regulations, many of the provisions that give practical effect to the framework have not yet commenced. Transport for NSW advised that they intend the full scheme to be operational by March 2027.

Recommendation

It is resolved that Council:

(A) note the release of the NSW Government's new regulatory framework for share bike schemes and Council's long-standing advocacy for stronger regulation

(B) note that the regulations provide councils with the ability to authorise operators and impose local Operator Conditions, while key aspects of the scheme remain subject to Transport for NSW oversight and control

(C) note that the regulations are unclear and untested and Operator Conditions are likely to require periodic adjustment

(D) endorse the following principles to guide the preparation of the City of Sydney's Operator Conditions for share bike operators:

  (i) keeping footpaths clear, safe and accessible

  (ii) operators must be accountable for the management of their assets and services

  (iii) operators must use technology and systems to prevent poor user behaviour

  (iv) ensuring local rules are practical and enforceable

(E) the Chief Executive Officer be requested to:

  (i) prepare draft Operator Conditions reflecting the principles in (D) above and as outlined in the subject Minute

  (ii) report to Council on the initial draft Operator Conditions for endorsement in December 2026 prior to their finalisation, noting that the City will modify the Operator Conditions in response to evolving challenges and opportunities and the Chief Executive Officer will approve these changes via existing delegations

(F) the Lord Mayor be requested to write to the Minister for Transport, with a copy of this Lord Mayoral Minute, outlining the principles that the City will use to develop its Operator Conditions, and our remaining concerns with the NSW Government's regulations for share bike schemes.

THE RT. HON. CLOVER MOORE AO HON. FRAIA

Lord Mayor of Sydney