
11.2 Car Share Policy

Executive Summary

Purpose

For Council to adopt a Car Share Policy 2018-2023.

Key Issues

The Strategic Transport Statement includes Action 5.9 which requires that Council “*Develop guidelines for car share operators that address the issues of location, number of bays and signage so that operators are clear as to the process and responsibilities*”.

Car share is a cost effective alternative to car ownership in urban areas. Car share schemes are operated by private car share companies, who provide access to a fleet of cars distributed across an area. Local residents and businesses can become members of a car share scheme, and use the cars as needed for a predetermined fee.

There are currently 152 car share bays in Yarra (inclusive of 27 off-street bays) provided by three commercial Car Share Providers. Initially there were just a few requests from Car Share Providers for car share bays. This was managed and the bays were provided at no cost given car share aligns with strategic transport objectives.

Car share companies are now increasingly requesting that additional spaces are provided given the growing population, the move to the shared economy and the growing demand for car share in Yarra. This means that more formalised methods of planning for car share are required including a mechanism for recouping the costs associated providing car share facilities by council. The lack of a Policy to provide clear and consistent framework for officers to work in has meant that car share expansion has been suspended.

The 2001-2016 Census data indicates that Yarra’s population has grown from some 67,050 people to some 87,450 people. Over this period the population-to-privately owned vehicles ratio has remained relatively unchanged in the order of 45 cars per 100 people. Given Yarra’s on going population growth it is important that the car share network is expanded to maintain or reduce the population-to-privately owned vehicles ratio. In order to do this the car share policy has a target to provide an additional 79 car share spaces by 2023 resulting in a total provision of 231 spaces.

The policy contains a midpoint review so that the car share space supply element can be assessed as Yarra continues to grow and evolve.

A copy of the policy is provided at Attachment 1.

Financial Implications

The draft Policy notes that car share bays would not be located in paid parking bays.

All costs associated with the installation of a new on-street car share bay would be recovered from the Car Share Providers via an installation charge, inclusive of the value of the space to the community.

An annual permit fee would be charged for all existing on-street car share bays to cover 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 Fees and Charges process.

Permits for on-street bays are proposed to be renewed annually and are subject to Council approval and dependent on the provider demonstrating that the space is suitably utilised.

PROPOSAL

That Council adopt the draft Car Share Policy 2018 – 2023.

11.2 Car Share Policy

Trim Record Number: D18/105988

Responsible Officer: Assistant Director Planning and Place Making

Purpose

1. For Council to consider adopting a Car Share Policy 2018-2023.

Background

Overview

2. The Strategic Transport Statement includes Action 5.9 which requires that Council “*Develop guidelines for car share operators that address the issues of location, number of bays and signage so that operators are clear as to the process and responsibilities*”.
3. Car share is a cost effective alternative to car ownership in urban areas. Car share schemes are operated by private car share companies, who provide access to a fleet of cars distributed across an area. Local residents and businesses can become members of a car share scheme, and use the cars as needed for a predetermined fee. Currently there are three commercial car share companies operating in Yarra (GoGet, Flexicar and GreenShareCar).
4. Car share has the following benefits:
 - (a) reduced car usage and traffic: A car owner spends a significant amount of money on buying and keeping a car roadworthy and is far more likely to use a car for a given trip due to fixed sunk costs than someone who does not own a car and utilises car share on a pay as you go basis;
 - (b) increased transport choice: Car share gives people more mode choice by providing access to a car for those who only need to use a car occasionally and normally travel on foot, by bicycle or on public transport;
 - (c) reduced parking demand and car ownership: Research outlined in the “*Research for the City of Port Phillip’s Car Share Policy Review*” Report (Final), prepared by Phillip Boyle and Associates, dated 17 February 2016 indicates that for every car share vehicle deployed that between seven and ten cars are avoided. 40% of these vehicles are existing vehicles that new car share users decide to sell (and not replace), and 60% of these vehicles are avoided cars that would have otherwise been purchased in the future by existing residents or businesses; and
 - (d) reduced transport costs: Using car share for occasional car users is often far cheaper than owning a car. This can free up money which can then be spent on other things including goods and services provided by businesses in Yarra.
5. Car share is particularly suited to Yarra for the following reasons:
 - (a) Yarra is well served by public transport and the potential for walking and cycling to goods and services is high. The need to own a car and use it regularly to undertake every day activities is relatively low for many people; and
 - (b) Living costs in Yarra are relatively high and household income varies considerably. A significant number of residents would be receptive to making cost savings on transport by living car free or selling the second or third household car if there are opportunities to utilise car share.

Status of Council’s Current On-Street Car Share Policy

6. Over recent years car sharing has evolved in the municipality. Currently Council does not have an endorsed a Car Share Policy to provide on-street parking bays to commercial Car Share Providers. Initially there were just a few requests from Car Share Providers and in the spirit of promoting sustainable transport, officers installed the infrastructure required for a car share bay (signs/poles/line marking) at no cost.
7. The lack of a Policy and large number of recent requests for car share bays from various providers has resulted in the service expansion being constrained and hindered by bay-by-bay debates. As a result of this no new on-street car share bays are currently being installed in Yarra.
8. With the number of requests for bays becoming greater and additional Car Share Providers wanting to establish in Yarra, there is now a need for a formalised Car Share Policy that allows for the car sharing network to be expanded in a controlled, transparent, and viable manner.
9. The 2001-2016 Census data indicates that Yarra's population has grown from some 67,050 people to some 87,450 people. Over this period the population-to-privately owned vehicles ratio has remained relatively unchanged in the order of 45 cars per 100 people. In order to maintain or reduce the population-to-privately owned vehicles ratio it is important that the car share network within Yarra is expanded to correlate with population growth projections over the next five years.
10. There are currently 152 car share bays in Yarra (inclusive of 27 off-street bays) provided by three commercial Car Share Providers. The allocation of the car share bays by area has been driven by the Car Share Providers and therefore by the demand for the services by local residents and businesses. This has led to some suburbs such as Fitzroy and North Fitzroy being well serviced by car share whilst other areas such as Alphington having limited accessibility to car share services resulting in a socially inequitable distribution of the car share spaces.

Fixed-Based Commercial Car Share Schemes Peer-to-Peer Car Share Schemes and Dockless Car Share.

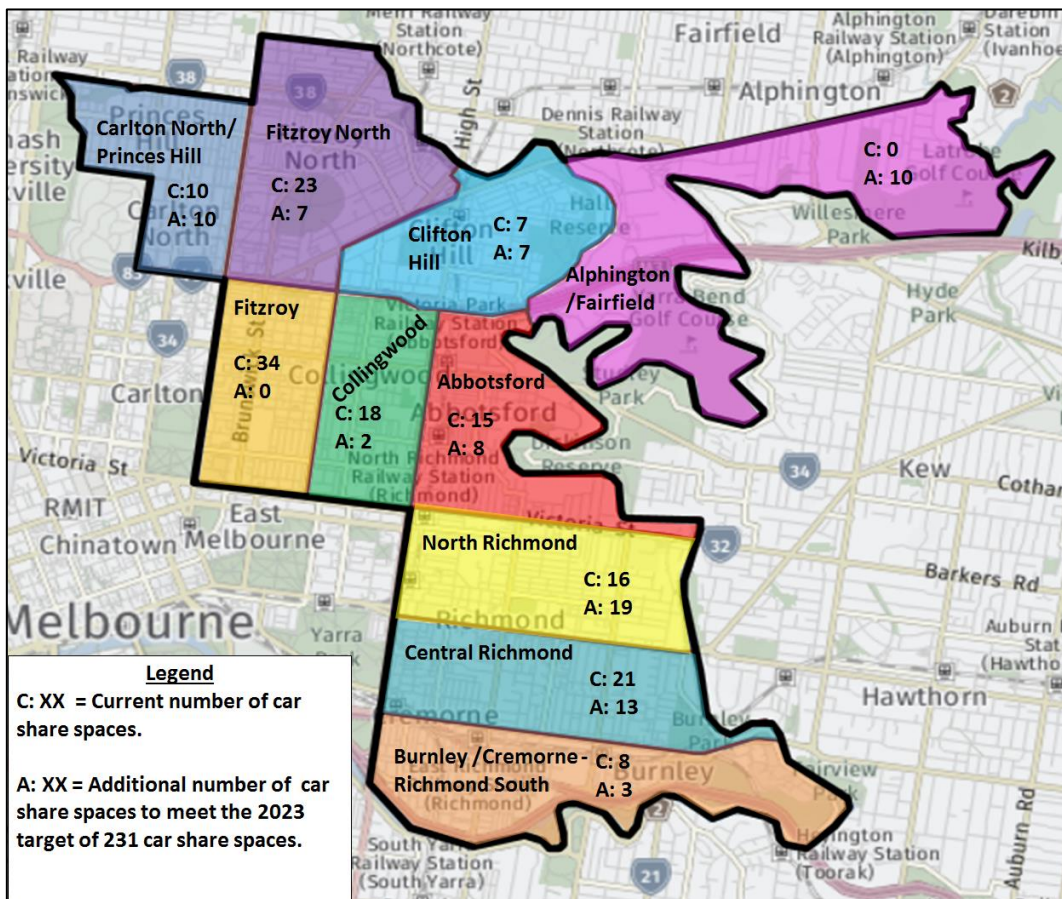
11. The proposed Car Share Policy applies only to commercial Fixed Base Car Share Providers (e.g. GoGet, Flexicar, and GreenShareCar). Peer-to-Peer car share schemes (e.g. Car Next Door) are excluded from the Policy except for purposes of promotion. Dockless Car Share Schemes are also excluded from the Policy.
12. Fixed base car sharing schemes involve members registering with a commercial Car Share Provider who then provides a fleet of vehicles across an area. The users must return a vehicle to the designated parking bay from which the vehicle was initially taken.
13. Peer-to-Peer car share operators allow members to rent out their personal vehicles directly to other members, typically neighbours. As the vehicles are owned by residents, they generally use resident parking permits or private parking, and Council therefore does not have an oversight role in terms of parking. In addition, Council has no regulatory role in specifying safety and environmental standards for vehicles used in Peer-to-Peer car share schemes.
14. The proposed Car Share Policy does not allow for Peer-to-Peer operators to apply for a dedicated on-street car share space given that they do not comply with all the qualifications and obligations criteria set out in the Policy, including maintaining a minimum availability of a vehicle to other users, and safety and environmental limits on type of vehicles.
15. Dockless Car Share schemes involve members registering with a commercial Car Share Provider who provide a fleet of vehicles across an area. It differs from Fixed Base Car Share Services in that vehicles can be picked up from one parking space and dropped off to a different parking space thereby facilitating one-way trips.
16. Dockless Car Share schemes are dependent on the car share vehicles being able to park in any available parking space rather than in a space designated for car share. Dockless car

share services have not been introduced anywhere in Australia and would be subject to a separate Policy in the future.

Proposed Expansion of Yarra’s Car Share Network

17. In order to maintain or reduce the level of privately owned vehicles in Yarra (45 cars per 100 people) over the next five years at least an additional 79 car share spaces are required in Yarra, resulting in a total car share provision of 231 spaces.
18. The demand for on-street parking in Yarra is high, it is therefore recommended that for every two new spaces a Car Share Provider requests on-street they must provide one space off-street (for example within commercial car parks or new major developments).
19. The target expansion of the car share network equates to an additional 15 to 17 car share spaces per year over the five-year duration of the Policy.
20. The growth in the car share network would need to be greater in areas where population growth is expected to be greater. The distribution of the car share spaces also aims to provide coverage across the municipality to allow for socially equitable access to car share services. Figure A shows the proposed expansion of the car share network within Yarra:

Figure A. Distribution of Current and Proposed Car Share Spaces by Area



21. It is noted that for Fitzroy no further expansion is predicted as being needed, and based on the analysis eight extra spaces are currently provided the area. This is not to say that existing spaces need to be removed but rather there is a greater localised demand for the services than there currently is in other areas. The draft Policy still allows Car Share Providers to secure additional *off-street* car share spaces in Fitzroy (noting that only 10% of the current spaces in Fitzroy are located off-street) on their own accord, however these spaces will not count as one of the off-street spaces the Car Share Provider is required to provide for every two new on-street spaces requested.
22. The Policy notes that targets should be monitored and revised upwards or downwards at the Policy midpoint if user demand warrants the need to do so. As part of the Policy implementation it is proposed to install parking sensors in existing and new on-street car

share bays as a means of independently verifying the usage of on-street spaces. The Policy mid-point review will use this data when considering whether the expansion targets outlined in the Policy need to be revised upwards or downwards.

Provision of Off-Street and On-Street Car Share Spaces

23. Demand for on-street parking in Yarra is high, the draft Policy therefore recommends that for every two new spaces a Car Share Provider requests on-street they must provide one space off-street. The target expansion of the car share network equates to an additional 10 to 11 on-street spaces and 5 to 6 off-street spaces per year over the five-year duration of the Policy.
24. Council could require that all new car share bays be located off-street; however this would result in Council foregoing any mandate in relation to how and where the car share network is expanded as the provision of new car share spaces would be through individual agreements between Car Share Providers and private land owners.
25. Council could also require that one off-street space be provided for every on-street space requested from Council, this would result in the provision of an additional 14 spaces being located off-street over the five year duration of the Policy. It is however noted that this requirement may slow the expansion of the car share network as a result of Car Share Providers requiring more time to secure additional off-street car share bays.

“Business as Usual Network” Expansion versus “Strategic Network” Expansion of the Car Share Network

26. The International Car Sharing Association’s Report *“The Impact of Car Share Services in Australia”* (Final) prepared by Phillip Boyle and Associates (dated 13 October 2016) includes scenarios Councils can consider when expanding their car share networks. These scenarios include a “Business As Usual” approach and a “Strategic Expansion” approach.
27. The “Business As Usual” approach involves allowing the continued growth of the car share vehicle fleet and the resident vehicle fleet. This approach essentially allows the total number of vehicles owned by residents to increase as population increases. Census data indicates that the growth in the resident vehicle fleet in Yarra has remained steady between 2001 and 2016 and is in the order of 45 vehicles per 100 people. During this time the car share network has grown to include 152 car share spaces.
28. The draft Car Share Policy adopts a “Business As Usual” approach in which some growth in population-to-resident vehicle fleet is allowed, however the rate of growth (45 vehicles per 100 people) is held steady or reduced. In order to maintain at least a steady growth ratio, at a minimum an additional 79 car share spaces would be needed in Yarra over the next five years.
29. The proposed “Business As Usual” also correlates with existing demand levels for car share vehicles in Yarra. GoGet, the major Car Share Operator in Yarra, has advised that, if on average, vehicle usage exceeds five hours per day over a three month period they would consider deploying another vehicle in the same location or nearby. Analysis of the 2017 data provided by the Car Share Operators in Yarra indicates that there are currently ten locations that meet this requirement for the deployment of an additional vehicle.
30. A “Strategic Expansion” approach to expanding car share networks would involve growing the car share network to a level that avoids all growth in the resident vehicle fleet. That approach essentially aims to freeze the resident vehicle population at a point in time whilst still allowing for population growth in the future. In this approach the car share network would be rapidly expanded to avoid growth in the resident vehicle fleet.
31. If a “Strategic Expansion” approach were to be adopted in Yarra, an additional 189 car share spaces would be needed in Yarra over the next five years (equating to 38 spaces per year), resulting in a total provision of 341 car share spaces in 2023.
32. The proposed Car Share Policy adopts a “Business As Usual” approach rather than a “Strategic Expansion” approach on the basis that the analysis required for both expansion processes are reliant on data provided by commercial Car Share Providers and is not independent data.

33. The proposed “Business As Usual” approach allows for the continued expansion of the car share network whilst facilitating the collection of independent usage data from parking sensors without providing an oversupply of share spaces which may result if a “Strategic Expansion” approach is adopted.
34. It is again highlighted that the draft Policy notes that expansion targets included in the Policy should be monitored and revised upwards or downwards at the Policy midpoint if user demand warrants the need to do so thereby allowing for the further expansion of the network if necessary.

Minimum Utilisation Rates

35. The draft Policy requires that car share vehicles have a minimum utilisation rate of 5% (1.2 hours) per day averaged over one (1) month. In streets with a parking demand greater than 80%, the minimum utilisation rate to be eligible for permit renewal is 15% (3.6 hours).
36. Analysis of the December 2017 utilisation data supplied by the Car Share Providers for Fitzroy, the area with the most car share spaces in Yarra, indicates that the minimum utilisation targets set in the Policy are being met for 90% of the car share bays, whilst 17% of the car share bays meet the Car Share Provider’s requirement for the deployment of an additional bay in the same location or nearby.
37. The utilisation rates set out in the draft Policy take into consideration targets set by other Councils and operational targets set by Car Share Providers and current utilisation rates in Yarra.

Use of Electric Vehicles

38. An operational review was also undertaken to assess the use of electric vehicles within car share fleets and it was found that it is unlikely that a commercial provider would be in a position to operate an exclusive electric vehicle fleet. Furthermore it would be difficult to mandate the use of electric vehicles in existing fleets. Instead the use of electric vehicles should be encouraged and supported by Council where possible.
39. GoGet, the major commercial Car Share Provider in Yarra, further noted that Electric Vehicle technology has only been trialled by GoGet to date given that current electric vehicle technology is not yet far enough developed to include more electric vehicles in the GoGet fleet. The sporadic hire nature of car share can result in operational issues resulting from vehicles not always having sufficient charging time between consecutive bookings. In addition the current high cost of electric vehicles means that their wider roll-out within the GoGet fleet is not currently financially viable.
40. Car Share Providers run on a narrow profit margin. Any additional costs would be passed onto members using the vehicles, making car share less attractive to join and use and less effective in reducing private vehicle ownership in Yarra.
41. The draft Policy does however note that Council supports the inclusion of Electric Vehicles within a Car Share Provider’s fleet and where possible will work with Car Share Providers to facilitate the use of such vehicles.

Facilitation of Off-Street Car Share Spaces

42. It is noted that there is no direct support for car share services in the State section of the Planning Scheme and as a result the provision of off-street car share spaces in new developments is generally the result of a Section 173 Agreement.
43. This Planning Scheme discrepancy will be considered as part of the 2018 Planning Scheme Rewrite where consideration will be given to encouraging the inclusion of car share provisions in new major developments. It is, however, recommended that Council does not specify a car parking dispensation rate in lieu of car share spaces within the Planning Scheme given that there is little recourse if the car share vehicles are not well utilised and eventually removed by the Car Share Provider (as was the case in The Nicholson

Development in Moreland where the Car Share Provider removed the vehicle from the private off-street car park as it was not being well utilised).

Promotion of the Use of Car Share Services

44. The draft Policy notes that Council will work with Car Share Providers to promote car share and increase memberships in car share schemes through promoting the concept of car share through its sustainable transport and parking communications.
45. This would include general promotion of car share services in Council communications (both electronic and print) as well as during the resident parking permit renewal process.
46. A copy of the proposed policy is provided at Attachment 1.

External Consultation

47. A Victorian Sustainable Transport Interest Group (VicSTIG) meeting was held on 8th August 2017 at the Municipal Association of Victoria offices to share information on how car share was managed by Councils in Inner Melbourne. Key points discussed at this meeting are summarised as follows:
 - (a) Melbourne City Council's (MCC) current Car Share Policy within the CBD requires Car Share Providers to provide one off-street space for every on-street space they request within the CBD; the logic behind this is that there are many more off-street car parking spaces in the CBD than there are on-street spaces. There is, however, no requirement for Car Share Providers to provide an off-street space for every on-street space requested outside of the CBD;
 - (b) City of Port Phillip (CoPP) adopted its Car Share Policy in July 2016 following the completion of a background report. The Policy includes minimum targets for the expansion of car share within the municipality. The Policy allows for the targets to be revised upwards should demand warrant the need to do so. The CoPP also actively promotes car share services through its website, YouTube and brochures;
 - (c) City of Darebin (CoD) does not allocate specific bays to car share but rather a street section. This situation works in the CoD given there are very few parking restrictions in residential areas and the parking demand in residential areas is currently not as high as other areas in Inner Melbourne; and
 - (d) The current commercial Car Share Providers (GoGet, Flexicar and GreenShareCar) were also invited to provide feedback on their current and anticipated operation within Yarra.

Internal Consultation (One Yarra)

48. The development of the proposed Car Share Policy included consultation with the following Council Units: Compliance and Parking, Traffic and Engineering, City Works, and Statutory Planning.

Financial Implications

49. The draft Policy notes that car share bays would not be located in paid parking bays.
50. All costs associated with the installation of a new on-street car share bay would be recovered from the Car Share Providers via an installation charge, inclusive of the value of the space to the community.
51. An annual permit fee would be charged for all existing on-street car share bays to cover 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 Fees and Charges process.
52. Permits for on-street bays are proposed to be renewed annually and are subject to Council approval and dependent on the provider demonstrating that the space is suitably utilised.

Economic Implications

53. The proposed Car Share Policy would make it possible for businesses to use a car share vehicle without the expense of owning a vehicle.
54. Car sharing can also support the local economy by reducing household expenditure on transport and increasing a household's disposable income. People with low motor vehicle use are less likely to drive to where they spend their money and are more likely to shop locally.

Sustainability Implications

55. Research outlined in the "*Research for the City of Port Phillip's Car Share Policy Review*" Report (Final), prepared by Phillip Boyle and Associates, dated 17 February 2016 indicates that car share users are likely to increase their use of other sustainable transport modes (walking / cycling / public transport) after they join a car sharing service, this shift towards more sustainable travel patterns also leads to less vehicle emissions and pollution.
56. Furthermore, car share is viewed as an efficient use of parking space, allowing a single vehicle to be used by a large number of people. This reduces congestion and the competition for parking spaces, which ultimately benefits all road users.

Social Implications

57. A well distributed car share network increases social inclusion by enabling households that cannot afford to own a car access to a motor vehicle when needed.
58. Furthermore, the draft Policy notes that Council is supportive of Car Share Providers who can demonstrate the provision of accessible and affordable access to car share to people on low incomes.
59. Council Officers will work with Car Share Providers to facilitate the provision of car share vehicles near public housing estates and support the promotion of car share services to people on low incomes.

Human Rights Implications

60. No applicable.

Communications with CALD Communities Implications

61. No applicable.

Council Plan, Strategy and Policy Implications

Council Plan 2017-2021

62. Objective 7, *City of Yarra, a place where connectivity and travel options are environmentally sustainable, integrated and well-designed*, of the Council Plan 2017-2021 notes that "*Council is committed to creating a city that is accessible to all irrespective of levels of personal mobility, to support a fulfilling life without the need for a car*".
63. Car sharing aligns directly with Objective 7 of the Plan as it enables people who need a car from time to time to rent a car rather than own a vehicle. A growing number of people are finding that using a car share service is cheaper and more convenient than car ownership; particularly in inner urban area where parking options are limited and travel by sustainable transport modes is more convenient and less costly than that of private vehicle travel.

Strategic Transport Statement 2012

64. The Strategic Transport Statement 2012 notes Council is supportive of car share schemes as they can reduce the need for numerous car parking spaces and unnecessary car ownership.

65. The Statement includes Action 5.9 which notes that Council is to “*Develop guidelines for car share operators that address the issues of location, number of bays and signage so that operators are clear as to the process and responsibilities*”.

Parking Management Strategy (2013-2017)

66. The Parking Management Strategy (2013-2017) directly supports car share and includes Principle 14: *Support and encourage households to use ‘share car schemes’* relates directly to car sharing and is aimed at reducing parking demand within the municipality.

Yarra Environment Strategy 2013-2017

67. Pathway 3 of the Yarra Environment Strategy 2013-2017 relates to sustainable city infrastructure, and Objective 3.1: Sustainable Transport is aimed at supporting community infrastructure and programs to increase safe, efficient, affordable and low-carbon mobility in Yarra.
68. Car share schemes provide a low-cost alternative to private vehicle ownership. In addition car share fleets generally comprise of fuel efficient cars.

Legal Implications

69. No identified legal implications.

Other Issues

70. No known other issues.

Options

71. An active Council policy is now required to manage Car Share Providers.

Conclusion

72. Car share is supported by Council’s Strategic Transport Statement 2012 and the Parking Management Strategy (2013-2017).
73. The community benefits of car sharing include the potential for households to reduce expenditure as a result of vehicle ownership no longer being a necessity. It also encourages residents to “live locally” and support local businesses for their everyday needs. Car share benefits the local community by promoting healthier lifestyles (i.e. increased walking and cycling) and can reduce the impacts of traffic congestion and high parking demand.
74. In order to maintain a stable level of privately owned vehicles in Yarra (45 cars per 100 people) over the next five years an additional 79 car share spaces would be required in Yarra resulting in a total provision of 231 spaces.
75. The demand for on-street parking in Yarra is high, it is therefore recommended that for every two new spaces a Car Share Provider requests on-street they would be required to provide one space off-street (for example within commercial car parks or new major developments).
76. The target expansion of the car share network would equate to an additional 10 to 11 on-street spaces and 5 to 6 off-street spaces per year over the five-year duration of the Policy.
77. Officers consider that the setting of an installation charge to cover all costs associated with the installation of a new one-street car share bay, including consideration of the value of the space to the community, is appropriate.
78. Officers also consider the setting of an additional annual permit charge for each existing on-street car share bay is appropriate and should be subject to annual review.
79. A copy of the policy is provided at Attachment 1.

RECOMMENDATION

1. That Council:
- (a) note the officer report on the current demand and supply of car share schemes in the

municipality;

- (b) note the draft Car Share Policy as shown in Attachment 1; and
- (c) resolve to adopt the attached Car Share Policy 2018-2023.

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Attachments

1 [⇒](#) Car Share Policy 2018-2023