# Micromobility Share Schemes

Guide for Councils



Department of Transport and Planning

## Contents

Document purpose		2
1.	Hire Scheme Joint Arrangement Requirements	
1.1.	Joint arrangement requirements	3
1.2.	Definition of commercially operated public share scheme	3
1.3.	Arrangement format and requirements	
1.4.	Example model agreements	5
1.5.	Operating areas and entry into non-participating adjoining council areas	5
2.	Expected Conditions for Hire Scheme Operation and Management	6
2.1.	Riding rules and device specifications	6
2.2.	Speed limits	7
2.3.	Helmets	7
2.4.	Insurance & Liability	7
2.5.	Parking	8
2.6.	Device requirements	8
2.7.	Data privacy	9
3.	Guidance and Best Practice Advice for Hire Schemes	
3.1.	Administration Elements	10
3.1.	1.1. Fleet size	10
3.1.	.2. Operators	11
3.1.	I.3. Contract length	
3.1.	.4. Fees	
3.1.	1.5. Data collecting and sharing	
3.1.	1.6. Customer survey data	
3.1.	.7. Selection process	
3.1.	1.8. Complaint management	13
3.1.	I.9. Termination clause	14
3.2.	Operational Elements	14
3.2.	2.1. Operating areas	14
3.2.	2.2. Hours of operation	14
3.2.		
3.2.	2.4. Parking management	15
3.2.	2.5. Go-slow or low-speed zones	16
3.2.	2.6. No-go or no-riding zones	16



### **Document purpose**

The purpose of this document is to:

- 1) Outline the legal requirements for hire operators to deploy share scheme devices in Victoria.
- 2) Outline the expectations that the State has with regards to public share scheme operations; and
- 3) To provide local government authorities with advice and guidance on managing public share scheme operations, elements to consider in their contracts and other best practice advice.

The chapters of this document have been split into three distinct sections to reflect these purposes.

Section 1 details the joint arrangement requirements for an operator to deploy share scheme devices within Victoria.

**Section 0** outlines matters that the State expects all public share scheme agreements to address at a minimum – for example, a requirement for operators to provide insurance protections to riders and third parties.

**Section 3** provides guidance and advice across a range of other matters councils could consider when setting up a share scheme arrangement. This section introduces some of the elements that councils will need to consider in the contractual arrangements for a public hire scheme and attempts to guide councils through some of these topics. The advice provided in this section is informational only and is not binding or exhaustive, and application will vary based on what conditions best suits local factors and needs.



### 1. Hire Scheme Joint Arrangement Requirements

#### 1.1. Joint arrangement requirements

Under Part 7C of the *Road Safety Act 1986* (the Act), commercially operated public hire schemes for bicycles, e-bikes or e-scooters can only operate if the hire provider has a joint arrangement with the local council to provide hire devices within a municipal area.<sup>1</sup> These provisions were introduced in 2023 through the *Transport Legislation Amendment Act 2023*.

This requirement enables local governments to manage issues specific to micromobility share schemes and their impacts on amenity and accessibility, and enables local governments to have determination over whether to allow share schemes to operate in their municipality.

The requirement is in place to prevent operators from deploying shared micromobility devices in local government areas (LGAs) without council permission (as occurred with oBike in Melbourne in 2017), and provides an avenue for councils to set standards and conditions for use of hire devices in their LGA (i.e. insurance requirements, the number of devices allowed, parking requirements and amenity management plans etc.).

Under Victorian roads rules and regulations, all e-scooters and e-scooter riders are subject to specific rules, including speed limits, prohibition on footpath riding and drunk/drug driving restrictions. In addition to complying with these general State regulatory parameters, it is expected that commercial operators will be required to comply with permit and/or contractual conditions imposed by participating councils.

If a share scheme provider deploys hire devices in a municipality without the council's permission the operator is subject to significant penalties.

#### 1.2. Definition of commercially operated public share scheme

A commercially operated public share scheme is when a micromobility device – specifically either a <u>bicycle</u>, an <u>electrically power-assisted bicycle (e-bike)</u>, or an <u>electric scooter (e-scooter)</u> (or other "relevant vehicle" type that the government may wish to declare)<sup>2</sup> is:

- made available for hire; and
- hired, from wherever they are located, through a wholly or partly automated electronic system; and
- not required to be returned, after the period of hire ends, to private premises.

Examples of e-scooter share schemes include the Lime (green) and Neuron (orange) e-scooters made available in metropolitan Melbourne during the Victorian Government's e-scooter trial throughout 2022, 2023 and early 2024. Examples of bicycle sharing schemes include the Lime e-bikes available in metropolitan Melbourne or Neuron e-bikes available in Frankston.

<sup>&</sup>lt;sup>1</sup> These legislated changes to the RSA are yet to be proclaimed, and will be proclaimed following the conclusion of the e-scooter trial.

<sup>&</sup>lt;sup>2</sup> If in the future an additional type of vehicle (that is not a motor vehicle) is used in share schemes that should be regulated in the same way, that can be prescribed as a new "relevant vehicle" under the regulations.



Examples of hire businesses which are <u>not</u> considered public hire sharing schemes (and therefore not covered by the share scheme requirements in the Act) include:

- hiring out devices from a retail outlet which are returned to that same location;
- hiring out devices from one location in a chain of businesses where the device must be returned to another location in that chain of businesses;
- hiring out devices at one end of a bike trail which must be returned to a location at the other end of the bike trail; and
- apps for hiring cars or other motor vehicles for short-term use (cars are not a "relevant vehicle").

#### 1.3. Arrangement format and requirements

Councils and operators need to have an agreement in order for operators to provide short-term micromobility hire services to the public in a municipality. Importantly, this requirement for an agreement gives councils the ability to set expectations and service standards should they wish to allow share scheme operations.

Agreements will also typically set conditions for operations (e.g. permitted time of operation, management of parking and amenity – see Section 3: *Guidance and Best Practice Advice for Hire Schemes*).

While there are currently no specific requirements in the Act or in regulations for what this agreement must contain,<sup>3</sup> the State strongly recommends that they include a number of requirements for operators, outlined in Section 0:

<sup>&</sup>lt;sup>3</sup> Apart from that the agreement must make provision for or with respect to the relevant vehicles, or classes of relevant vehicle, that are to be made available for hire under the scheme.



*Expected Conditions for Hire Scheme Operation and* Management. For example, that all hire scheme operations have an appropriate level of insurance coverage to provide a financial safeguard for riders and third parties in the case of accident and injury.

#### 1.4. Example model agreements

The management of the arrangement between a council and a hire operator and the format and detail of this arrangement is up to the council to manage. While there are no universally agreed standards for the management of share schemes, and different council areas will have different service standards and expectations, many elements that shape the management of public hire schemes share similar characteristics. The aim of this document is to highlight some of those key elements and guide councils through the set-up phase of engaging and managing a micromobility share scheme operator. To supplement this guidance, the Department of Transport and Planning can also be contacted for assistance.

Share schemes in other local government areas may also provide a model to guide councils in their planning. As an example of an existing share scheme services contract, the Melbourne metropolitan councils' *Shared E-scooter Services Trial Agreement* is available to view on the Melbourne City Council's website. <u>https://www.melbourne.vic.gov.au/parking-and-transport/Pages/e-scooters.aspx</u>

#### 1.5. Operating areas and entry into non-participating adjoining council areas

In order to have share scheme devices *made available for hire* from a location, the Act requires that the hire operator have an agreement with that locality's municipal authority (i.e. the local government). *Made available for hire* means that it is not illegal for somebody to ride a shared scheme device into an LGA which doesn't have agreement with the hire operator. It is, however, illegal for that device to subsequently be *made available for hire* from that location because it is not within the participating council's area.

This distinction is in place to ensure share scheme operators (and not riders) are responsible for ensuring hire devices are only available for hire and being used in LGAs that want them and agree to the operation of the devices in their local area.

The hire provider therefore has an incentive to use mechanisms to prevent use outside of agreed boundaries from occurring in the first place, or else the onus is on the operator to move hire devices back into the participating LGA before they can be made available for hire again. This can be achieved relatively easily by commercial operators through geofencing technology to prevent trips being ended outside of participating LGAs.

The onus to prevent public hire devices from being abandoned outside participating LGAs is on the operator to manage. For powered devices, including e-scooters and e-bikes, the operator may wish to use geofencing technology to prevent these devices from exiting the authorising council's boundary altogether (for example, by gradual power shutdown) to reduce the risk of those devices being left outside the participating LGA.

While DTP is not currently aware of geofencing technology to restrict the operation of pedal-only bicycles to specific geographical locations, geofencing can be used when the rider of a pedal-only bicycle attempts to end their trip.

Operators may wish to use incentives or disincentives (such as financial penalties) if use of a device is not ended within the authorising council's boundary.



## 2. Expected Conditions for Hire Scheme Operation and Management

### 2.1. Riding rules and device specifications

All devices are to be ridden in accordance with State regulations. A summary of the basic rules and device specifications for each device type is provided below.

Agreements between councils and operators should clearly specify that devices for hire must be consistent with device specifications in the State regulations. In addition, the agreements should specify that operators must take all reasonable steps to ensure that riders comply with the regulations – for example, by speed limiting devices, measures to support helmet use and discourage footpath riding, riding under the influence of drugs or alcohol and other breaches of the road rules applying to devices.

As a minimum measure, agreements could require that operators make all riders aware of their obligations to comply with the roads rules before hiring a device (for example by signage on the devices indicating key road rules, providing information on road rules on operator apps and requiring riders to agree to comply with laws as a condition of hiring the device).

#### **Bicycles**

Bicycles riders must:

- Ride to the conditions and not exceed the speed of the road/path being travelled on (e.g. in a street shared with pedestrians and marked by a shared zone sign, the speed limit is 10 km/h).
- Wear a helmet at all times.
- Follow traffic rules.
- Have front and rear lights if riding at night.

Bicycle riders cannot:

- Ride on the footpath (unless the rider is under the age of 13; or someone over the age of 13 accompanying a child under the age of 13; or has a medical exemption).
- Use a mobile phone while riding.
- Ride while under the influence of drugs or alcohol.

E-bike devices must:

- Have a pedal powered drive train with chain.
- Not exceed 250 watts.

More information regarding the rules that apply to bicycles can be found on the VicRoads website.

#### E-scooters

E-scooter riders must:

- Be aged 16 years and over.
- Ride to the conditions and not exceed the speed of the road/path being travelled on.
- Not exceed the maximum speed of 20 km/h.
- Ride only on shared paths and roads that have a speed limit up to 60km/h, or on bike or shared paths.
- Wear a helmet at all times.
- Follow traffic rules.
- Have front and rear lights if riding at night.

E-scooter riders cannot:

- Ride on the footpath.
- Use a mobile phone while riding.
- Ride while under the influence of drugs or alcohol.

- Carry passengers or animals or ride in tandem.
- Ride on roads that have a speed limit over 60km/h.

A legal e-scooter in Victoria is one which:4

- Transports a person while the person is standing.
- Has only two wheels (one in front of the other).
- Has a footboard between the front and rear wheels.
- Is steered by means of a handlebar.
- Has a maximum speed capability of 25 km/h when ridden on level ground.
- Can move using an electric motor or a person pushing one foot against the ground.

More information regarding the rules that apply to e-scooters can be found on the VicRoads website.

#### 2.2. Speed limits

Speed limits and/or powered speed limitations are applicable to devices which use an electric motor (e-scooters) and electrical power-assist (e-bikes). Conventional pedal bicycles must not exceed the speed limit of the street (unless otherwise signposted).

#### **E-scooters**

E-scooters involved in share schemes must be programmed to not exceed the maximum legal speed limit for e-scooters in Victoria, which is 20 km/h.

#### E-bikes

E-bikes involved in share schemes must be programmed to meet State specifications.

The maximum legal speed before the power-assistance automatically cuts off is 25 km/h for e-bikes in Victoria.

#### 2.3. Helmets

The wearing of a helmet while riding an e-scooter or bicycle is mandatory under Victorian regulations. Operators must provide a helmet with every e-scooter or bicycle that is available for hire or else the device should not be made available for hire.

#### 2.4. Insurance & Liability

E-scooters and bicycles/e-bikes are generally not covered by the Transport Accident Commission (TAC) unless a crash occurs involving a motor vehicle (regardless of who is at fault or whether the driver or rider is doing something illegal or not). If a vehicle is not involved in a crash with an e-scooter or bicycle/e-bike, TAC coverage generally doesn't apply (except in some exceptional circumstances for bicycle crashes).<sup>5</sup>

Agreements must require operators to hold appropriate insurance coverage for their operations and provide a range of insurance cover for riders and other third party street users. This condition gives riders and the community some protections in the event of an accident, noting that micromobility share scheme accidents may not be covered by TAC compulsory third party insurance.

Appropriate insurance coverage will assist in securing public acceptance for the shared scheme and may also serve to protect council from liability.

In particular, operators are expected to:

 Hold third party insurance to provide coverage to third parties (such as pedestrians) in the event that they are hit and injured by a shared scheme device. Such insurance must apply to third parties even if

<sup>&</sup>lt;sup>4</sup> Notable differences for device specifications in Victoria compared with other Australian jurisdictions is that devices with seats, or more (or less) than two wheels, are currently prohibited in Victoria.

<sup>&</sup>lt;sup>5</sup> E.g. cyclists are covered by TAC if the rider crashes into a stationary vehicle or if a car door is opened into their path, whereas e-scooter riders are not.



the rider is in breach of the road rules at the time of the incident (such as not wearing a helmet or riding on a footpath).

- Provide riders with **personal injury insurance**, to provide protections to riders in the event that a rider has a crash.
- Hold an appropriate level of **public liability insurance**.

#### 2.5. Parking

Parking of shared scheme devices is one of the most sensitive areas for councils to manage. Poorly parked devices can not only be a source of community discontent, but if not managed in a systematic way, can potentially put a council in breach of their obligations under the *Disability Discrimination Act 1992* (DDA) to provide residents with access and freedom of movement. In particular, section 23 of the DDA requires non-discriminatory access to premises which the public is entitled to use, which includes public footpaths and walkways.

It is therefore imperative that councils work with operators to implement strategies to mitigate the impacts of poor parking to maintain clear access for footpath users and these should be agreed upon through a parking management plan before operations begin.

To meet DDA requirements, parking requirements must specify a minimum standard that shared scheme devices:

- Be parked at least 1.5 metres from the building line.
- Not be parked on footpaths that are less than 1.5 metres in width.
- Not be placed where they could obstruct peak pedestrian flows or otherwise pose a safety hazard.
- Not interfere with pedestrian access or amenity.
- Not be parked on infrastructure which provides warnings or assistance to people with vision impairment (tactiles, guides, steps, rails etc.), or in any other way that endangers others.
- Keep the edge of the road clear to allow access to and from the road, including space to open car doors.
- Not park on landscaped areas or adjacent to disabled car parking bays, or by leaning against structures (including on trees, buildings, poles, street furniture or any structure).
- Not be parked in no-parking zones in sensitive or highly pedestrianised areas.

Councils should work with operators to determine the optimal parking plan for shared scheme devices and appropriate preferred parking zones, exclusion zones, and no parking zones.

More information with regards to best-practice parking management plans is provided in Section 3.2.4: *Parking management.* 

#### 2.6. Device requirements

All share scheme devices must:

- Be equipped with helmets.
- Be readily identifiable as belonging to the operator and not be confused with other schemes or private devices.
- Display contact information for the operator including a phone number.
- Display a unique identification number that is clearly visible from at least 5 metres away from and be fixed to the device.
- Comply with all relevant Victorian legislation and regulations.
- Display basic information on road rules applying to device riders.



### 2.7. Data privacy

The privacy frameworks that govern micromobility data sharing arrangements mandate that data cannot be individualised for the purposes of reporting. All data provided to councils and third parties must be aggregated and non-identifiable, in accordance with the *Privacy and Data Protection Act 2014* (Vic) and/or any other relevant privacy legislation.



### 3. Guidance and Best Practice Advice for Hire Schemes

### **3.1. Administration Elements**

#### 3.1.1. Fleet size

Fleet size should be determined by councils in consultation with operators and be included as a condition of agreements between the two parties.

The fleet size should balance reliability of access to a device during times of high-demand, and the need to manage negative amenity impacts such as crowding and visual clutter. Subject to agreement, the fleet size may change over time, for example starting with a manageable initial fleet with the capacity to grow in line with the observable market demand, compliance with other conditions of the agreement (e.g. parking management) and other council priorities. If appropriate fleet size could also change with seasonality, with more devices in warmer months and fewer in cooler months.

Councils should work with operators to determine an initial fleet size and should also have clear benchmarks to guide and limit any increase in the fleet size, for example setting a threshold for average trips per device per day, dwell time (the time a device is left unridden), and other factors. By way of example, each e-scooter in the Melbourne trial is used between 3–6 times per day on average, while Ballarat is around a third of this.

Below is guideline for fleet size, with one industry estimate suggesting one vehicle per 500 people as an initial baseline,<sup>6</sup> though actual thresholds should be dependent on market conditions and LGA-specific characteristics. For example, special population considerations, such as a large commuter base, strong visitor numbers (including workers in a central business district), seasonal population swings, and large student populations may mean that it is appropriate to consider additional vehicles. See the case studies on Melbourne and Ballarat during the e-scooter trial below for more information.

Fleet growth or reduction should be tied to operator performance based on metrics measuring compliance with council conditions under the agreement (including tidiness, responsiveness, maintenance, etc.).

<sup>&</sup>lt;sup>6</sup> https://micromobilityreport.com.au/uncategorised/share-scooter-leaders-co-create-10-rules-for-best-industry-regulation/

#### **Case studies**

#### Melbourne

For the three metropolitan LGAs which participated in the initial e-scooter trial (the Cities or Melbourne, Yarra and Port Phillip), the resident population is approximately 356,000 (2022, ABS), which would suggest 712 e-scooters being made available. The initial fleets size began at 1,500 but was increased subsequently by agreement between operators and participating councils due to higher-than-expected demand for the vehicles in the service the area: the average number of rides per scooter was 8 rides per day, and on weekends some scooters were being used over 25 times per day. In collaboration with the operators, the councils determined to increase the maximum number of e-scooters made available at any one time to 2,500. This figure recognises that the City of Melbourne, in particular, swells enormously with over 1 million visitors and workers each day.

#### Ballarat

Ballarat has a resident population of around 116,000, which, using the formula of 1 scooter per 500 residents, would suggest 232 e-scooters being made available. During the trial 250 e-scooters were made available, which closely aligns to the suggested industry benchmark.

#### 3.1.2. Operators

An appropriate number of operators relative to the service area and fleet size should be considered to balance operational efficiency, financial sustainability, competition, customer choice and administrative burden for councils.

Councils should consider the size of their municipality and use area (which may include adjoining municipalities) and determine whether the community would be best served by a single or multiple operators.

In inner metropolitan Melbourne areas, particularly if the use area covers multiple adjoining municipalities, it may be advantageous to appoint multiple operators. Competition between the operators may result in better customer outcomes and choice for users while still being relatively easy to administer. Having two operators also provides opportunities for benchmarking and comparisons and will aid in driving suppliers to provide the best product for consumers. More than two operators may become an administrative burden to councils and produce choice fatigue for customers, as customers must have the individual app of each operator to use each company's device.<sup>7</sup>

In regional areas and cities as well as peri-urban or outer suburban areas that are geographically contained and where the use area does not adjoin another municipality with a share scheme, LGAs may be best served by appointing just one operator with clearly defined performance targets and customer experience protocols to ensure the market is well served.

<sup>&</sup>lt;sup>7</sup> Additional risks of having more than two operators include: navigation and regulation of different policies (e.g. parking regulation and user data management) between operators; greater coordination required for the management of geofencing consistency; risks in consistency of data collection and reporting between operators (measures such as unique riders may be skewed); increased challenges in implementing consistent safety measures and campaigns, with councils likely to be required to play a greater role in the developing of communications material and messaging; difficulty in monitoring and enforcement of rider behaviour policies with the risk of banned / suspended riders moving to another operator's platform. (AECOM 2023)



#### 3.1.3.Contract length

The contract length should balance an operator's need for certainty and continuity with the council's control of the program to ensure that the best operator is appointed at any given time.

Longer term contracts provide riders with certainty about their ability to rely on micromobility as a made of transport over time, and provide operators with an incentive to invest in their operations, staff, fleet management, other infrastructure needs (for example warehousing capability and improvements) and active parking management.

Contracts running for two years or more may be best for permanent ongoing share scheme programs, as longer contract durations tend to improve certainty and investment in services and may provide the public with more confidence to depend on micromobility as a transport option longer term.

Shorter contract terms (for example up to one year) may be better suited for service trials.

#### 3.1.4. Fees

Councils may charge a fee to operators who run a share scheme within their municipality. The structure of the fee is a matter for councils to decide and could account for the costs of program administration, including contract performance management, dealing with and resolving complaints, and other reasonable costs such as for the use of public space and any share scheme parking infrastructure.

Fees are best set prior to vendor selection and applied consistently to avoid negative outcomes such as operators overpromising on financial commitments, legal concerns over excessive fees and operators changing their service offer outlined in their bid.

A common way for councils to charge operators is to adopt a per-device per-day fee; for example, if 500 devices were available for hire each day over a 12-month period, a \$1 fee per day per device fee would be  $500 \times 1 \times 365 = 182,500$ .

Alternatively, councils may wish to charge a one-off fee through a permit or permit-like arrangement.

Another alternative is to have a per-ride fee. This will ensure revenue grows with the success of the program, though revenue under this arrangement may be difficult to predict and budget for.

#### 3.1.5. Data collecting and sharing

Contracts should stipulate that councils are able to access data from operators upon request. Data is essential to monitor and evaluate the effectiveness of a shared scheme. Data is also used to measure the wider impacts on the transport network, as well as provide contextual data to evaluate the safety impacts of the scheme.

All data must be provided in accordance with privacy protocols (i.e., in aggregate, non-identifiable).

#### Device data

Modern share scheme devices have technology that automatically collects device data, and this can be made available to councils through a variety of means. Device data largely relates to attributes based on GPS capability (rides, routes, time of use, speed etc.).

While the format of the data need not be prescriptive, it is worthwhile for contracts to specify requirements for operators to provide device data to councils in a format that is agreed upon, consistent, timely and can be verified upon request.

Elements that are commonly provided from device data include:

- No. of trips (by hour, day, month, total)
- No. of kms travelled
- Average trip length
- Average trip duration
- Trips per scooter
- Route heat maps
- Average travel speed



#### Operator-reported / user data

In addition to device data, operators can provide data that is reported to them, recorded by them or data that they calculate based on a combination of data sources. This data can be useful to evaluate the safety or amenity impacts of a scheme. For example, data that may be held by operators and provided to council includes:

- No. of user sign ups
- No. of reported incidents with location / causes noted, including:
  - o whether hospitalisation was required
  - o whether third parties (including pedestrians) were injured, and
  - the rate of hospitalisations per 100,000 kms travelled and/or per 100,000 trips
- No. of insurance claims
  - Official warnings issued to riders doing the wrong thing, with the breach category noted, for example:
    - Riding without a helmet
      - o Footpath riding
      - o Bad parking
      - o Tandem riding
      - o Underaged riding
      - Riding in prohibited zone
      - o Unsafe riding
- Account suspensions or bans, with the breach category noted
- Scooter vandalism
- Environmental vandalism (e.g. devices dumped in waterways).

#### 3.1.6. Customer survey data

Commercial share scheme operators conduct customer (or user) surveys from time to time for their own market research purposes to learn about the customer experience and inform potential improvements.

Customer surveys can also provide valuable information to councils and help inform program evaluation by providing a more nuanced understanding of the impacts of the shared scheme from the user's perspective. Survey responses often provide subjective responses to things that cannot be ascertained through observation alone, and can support or inform conclusions drawn from other data.

Councils may wish to make it a requirement for operators to undertake customer, or even broader community, surveys as an explicit part of the contract. If councils wish to do so, they could make it an explicit requirement in their contract that the operator must conduct and also share the results of a customer survey with council, and that council have input into the survey design. Councils could then work with operators to include specific survey questions to inform council evaluation objectives.

#### 3.1.7. Selection process

Selection processes should be designed to identify the operators best suited to provide quality service over the long term, tailored to an LGA's needs.

A competitive public procurement may be the most appropriate method to select a vendor to serve an LGA's needs, and councils should follow their own procurement policies.

Reliability, safety, sustainability, fleet management and amenity management capability should be among the core criteria for selecting operators.

Where relevant, councils should require evidence of delivery in comparable cities to support claims made by operators in competitive public procurement or application documents.

#### 3.1.8. Complaint management

Operators must establish a system for tracking complaints from customers and the public and report this periodically to the council.

All complainants must be provided a case number when registering a complaint.



#### 3.1.9. Termination clause

Councils can include a termination clause whereby councils can withdraw agreement anytime during the operations to remove all share scheme devices from council-managed land within a specified number of days due to unsatisfactory practices or an overwhelming negative community response.

#### **3.2. Operational Elements**

#### 3.2.1. Operating areas

As noted in Section 1, operators must have an explicit agreement with the local council to deploy share scheme devices in that LGA. However, councils may wish to determine specific 'use areas' within their own municipal boundary rather than permit share scheme devices from being used throughout the entire LGA. Councils should work with the operator(s) to determine the precise use area for shared devices, and this should be made explicit to users through a map within the operator's digital application software (i.e. app), and through other available means of communication (e.g. council website). As an example, the City of Ballarat currently permits shared scheme e-scooters in the metropolitan Ballarat area only, rather than the entire City of Ballarat municipal area. The council (in conjunction with the operator) determined that for a range of reasons, this was the most pertinent area for share scheme devices to operate.

As noted in Section 1.5: **Operating areas and entry into non-participating adjoining council areas**, operators must prevent shared scheme devices from being made available for hire in areas that fall outside of the authorising council's municipal boundary (unless they have an explicit agreement with the bordering council).

Where two bordering LGAs have different operators, measures should be taken to reduce amenity impacts and so-called 'edge effects', where council borders meet (e.g. having designated parking zones, so riders must end their trip in the dedicated zone within the relevant LGA – see Section 3.2.4: *Parking management*).

#### 3.2.2. Hours of operation

Councils should work with operators to determine operating hours that are appropriate to the area and needs of the community. Councils should retain the power within their agreements with operators, within certain parameters, to determine and amend hours of operation, including the ability to explore or trial restricted hours of operation if evidence emerges of problems within certain timeframes.

Councils may have to give operators a certain amount of notice (e.g. 14 days) should they intend to amend the hours of operation. Councils should also provide a rationale for their intention to amend operating hours and outline an evaluation plan to assess the changes.

Advantages of making share scheme devices available 24/7 is that they can support residents and visitors working non-standard hours or overnight, when public transport services are limited. Additionally, some councils have noted in their Gender Impact Assessments that share schemes provide an alternative to walking, public transport and traditional taxi/rideshare services which women and gender diverse people may feel safer using, especially 'after hours'.

Councils are best placed to decide on the operating hours for share scheme devices based on local conditions. Should councils decide to implement (or flexibly trial) restricted operating hours, some options to consider include:

- Having a blanket restriction across all areas during certain hours.
- Implementing exclusion zones in known trouble spots (e.g. nightclub precincts) during certain hours and/or days of the week, meaning trips cannot begin or end in that zone during certain hours.
- Automatically lowering the speed of devices across all areas, or just in certain zones, during certain hours.



#### 3.2.3. Customer communication and safety requirements

Councils should make clear in their contracts that operators must take all reasonable steps to ensure that riders are aware of and comply with the safety regulations. Operators must provide education and training to customers through a variety of channels on how users need to park safely and follow all relevant laws, regulations and parking guidelines.

Operators must take reasonable steps to manage customer behaviour to ensure compliance with exclusion zones, no parking zones and preferred parking zones, and deploy mechanisms to deter irresponsible use of shared scheme devices - including barring access to the scheme for repeated breaches by a customer.

#### 3.2.4. Parking management

As noted in Section 2.5: *Parking*, councils and operators must have a parking management strategy in place that meets DDA requirements.

Parking conveniently located close to where riders start and end their trips will increase program use, reliability, and tidiness. However, a balance must be considered to ensure parking does not inconvenience or disrupt other street users. Contracts should specify that operators must be proactive in the redistribution of devices according to demand to avoid excessive build-up in an area.

There are many different parking options or models for councils to choose from, the two most common being dockless/free-floating parking, and designated parking. Generally, having designated parking will result in a neater streetscape and have less visual, amenity and pedestrian impacts than dockless/free-floating parking models. Density, existing infrastructure and pedestrian patterns will inform what will be most effective in a given LGA or area within an LGA, though councils should always consider requiring designating parking as standard, and allowing free-floating parking by exception. Hybrid parking approaches can also be used, with designated parking in less dense areas.

Parking requirements for a given area must be made clear to riders before they take a trip and at the conclusion of their trip, and operators should apply penalties to riders who don't park in accordance with the agreed requirements. Similarly, incentives may be used to encourage appropriate parking.

#### **Designated parking (preferred)**

Mandatory parking in designated parking zones is well suited to denser urban areas like central business areas, retail precincts and other high pedestrian areas; though they can also be implemented across larger areas such as a regional town and surrounding areas.

Designated parking can be a mix of physical parking corrals, painted lines and digitised zones that are only visible within the operator's app. Physical parking demarcations are preferred and should be implemented in the highest pedestrian traffic areas to give good visibility to shared scheme parking requirements and signal preferred parking locations. Physically designated parking can be both on the footpath or on the road in typical vehicle parking bays.

Longer term schemes should especially consider investing in permanent physical parking demarcations and may consider fees on share scheme operators to assist with funding such infrastructure, or alternatively requiring operators to jointly and/or partly fund physical street parking zones.

Physical parking space gives visibility to share scheme programs and is preferable to digital designated parking as this can have limitations; for example, GPS technology is not precise enough in many locations (especially in cities with larger buildings around) to determine if a device is placed into a designated zone. Technology is rapidly improving and there are potential solutions (such as installing Bluetooth beacons in parking bays) which could be highly accurate at determining if a device is within the parking zone. However, such technology is still being tested and implementation would require further investment from the operator and/or council. A range of options should be explored and tested between the council and operators to determine the most suitable approach in any given area, and councils should work with operators to refine the approaches based on hierarchies of need and/or budget.

Councils should work with their traffic engineers and operators to determine the most appropriate places for designated parking areas or to install physical infrastructure (including painted lines).

Designated parking locations should be at intervals that strike a balance between utility and amenity impacts.



#### Dockless/free-floating parking

Dockless parking – or a free-floating parking model – may be well suited to lower density areas or where parking infrastructure (incl. racks and painted bays) is not sufficiently available. This can include suburban areas or areas away from retail or pedestrian traffic precincts.

This model can be the default in areas that are <u>not</u> designated parking areas. The general parking rules noted in Section 2.5: *Parking*, as pertaining to meeting DDA requirements for parking, must apply under this model.

#### Parking infringements (customers)

In addition to having incentives for riders to park in preferred locations, such as future ride discounts or loyalty points, operators should also have a penalty system in place to apply to rider accounts when parking infringements occur and can be verified. Penalties can include financial penalties, account suspensions and account banning.

#### Parking infringements (operators)

Operators should have clear guidelines about expectations with regards to parking management, including their responsibilities to collect or move inappropriately or dangerously parked devices within certain timeframes.

If any of the agreed timeframes for operators to collect or move devices are exceeded, the devices should be subject to being impounded by the relevant council and subject to that council's vehicle impound recovery processes, including cost recovery mechanisms.

In addition, councils may wish to explore additional or alternative incentives for operators to manage their fleet appropriately and within the agreed parking management plan. This can include financial penalties being appliable to the operator, for example for breach of contract performance requirements. Such penalties must be made clear in the contracts and be permissible within ordinary contract law policies, for example the Doctrine of Penalties.

#### 3.2.5. Go-slow or low-speed zones

Councils should work with operators to implement geofenced go-slow or low-speed zones in high-traffic areas (both pedestrian and vehicular traffic). For example go-slow or low-speed zones could be implemented along popular sections of shared paths where there is a high level of mixing between pedestrians and micromobility users (including e-scooters and bicycles). In such areas, it may be more appropriate for e-scooters or e-bikes to travel at 10 km/h or 15 km/h and be automatically programmed to not exceed that speed when the device enters the designated zone.

#### 3.2.6. No-go or no-riding zones

Councils should also work with operators to implement geofenced no-go or no-riding zones in particular areas that the council wishes (e.g. school grounds, shopping centres, certain parklands or reserve areas, within 50m of a waterway, entrances to freeways etc.).