



10.1 **MANAGING DOCKLESS ELECTRIC SCOOTERS**

EXECUTIVE MEMBER: **LILI ROSIC, GENERAL MANAGER, CITY STRATEGY AND SUSTAINABLE DEVELOPMENT**

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1. PURPOSE

- 1.1 To seek a Council endorsement of the proposal to manage shared electric scooters that may be deployed in the municipality.

2. EXECUTIVE SUMMARY

- 2.1 Council officers are aware of 13 shared electric scooter operators considering deployment in Australia and had discussions with nine operators interested in establishing e-scooter services in Port Phillip.
- 2.2 'Electric scooter' in this report refers to motorised standing scooters rather than sit-down motor scooters (such as Vespas). Many of these electric scooters are categorised as a "motor vehicle" as defined in the *Road Safety Act 1986*, however they are broadly ineligible to be registered as motor vehicles.
- 2.3 VicRoads have advised that an electric scooter with a maximum power under 200 watts and maximum speed under 10km per hour are legal for use off-road, including along footpaths. Vehicles with specifications above this wattage and speed would be classed as a motorcycle and would be illegal for use off-road. Victoria Police are responsible for enforcement of use both on and off-road.
- 2.4 Council officers are aware of two e-scooter operators with scooters that could be legally ridden on footpaths.
- 2.5 Council officers are liaising with counterparts at neighbouring councils to develop a consistent response to the electric shared scooters, including addressing the legalities and risks.
- 2.6 To prevent non-compliant scooters from using footpaths, public spaces and foreshore areas the Victoria Police would need to divert resources to this activity, reducing capacity for addressing more critical policing issues.
- 2.7 The deployment of compliant scooters and non-compliant scooters has the potential to impact on community safety. This includes increased risks to pedestrians particularly vulnerable people, sharing footpaths with people riding e-scooters. There are also amenity risks posed by the parking and abandonment of scooters.
- 2.8 Council has no powers to regulate the deployment of dockless electric scooters. Legal advice has indicated that regulating such services is within the responsibility of the Victorian Government through the *Road Safety Act 1986*.
- 2.9 Council officers are advocating to the Victorian Government for the introduction of regulations and minimum service standards for electric scooters and other emerging shared transport services under the *Road Safety Act 1986* to provide certainty for councils, the community, users of these shared transport services and prospective shared transport service providers.



- 2.10 It is proposed that Council officers investigate the option of supporting a trial of legally compliant e-scooters in a confined area such as along the foreshore. This will assist Council officers to determine and evaluate the public benefits, such as offering the community a convenient and flexible travel choice, against and any risks associated with dockless transport systems. The trial is dependent upon Council managing its public liability risk associated with this activity.

3. RECOMMENDATION

That Council:

- 3.1 Notes that electric scooter operators may commence service provision within the municipality;
- 3.2 Endorses the Chief Executive Officer to work in partnership with other councils and organisations to manage and respond to shared transport services providers;
- 3.3 Authorises the Chief Executive Officer or his delegate to support a trial of legally compliant dockless electric scooters on Council land dependent upon managing insurance and other safety risks to Council associated with this activity;
- 3.4 Writes to Victorian Government Transport Minister and agencies including VicRoads and Transport for Victoria advocating to rapidly progress the introduction of regulations under the *Road Safety Act 1986* in 2019 to establish minimum and enforceable service standards for shared transport services such as dockless electric scooters. Noting these regulations are required to protect the safety of pedestrians and to provide certainty to prospective new shared transport service businesses.

4. KEY POINTS/ISSUES

- 4.1 Since August 2018, Council officers have been aware of plans for multiple dockless electric scooter share schemes to launch in inner city municipalities. Council officers are aware of 13 shared electric scooter operators considering deployment in Australia and had discussions with nine operators interested in establishing e-scooter services in Port Phillip.
- 4.2 'Electric Scooter' in this report refers to motorised standing scooters rather than sit-down motor scooters (such as Vespas). Many of these electric scooters are categorised as a "motor vehicle" as defined in the *Road Safety Act 1986*, however they are ineligible to be registered as motor vehicles. Most of the scooters cannot be legally ridden on footpaths
- 4.3 VicRoads have advised that an electric scooter with a maximum power under 200 watts and maximum speed under 10km per hour are legal for use off-road, including along footpaths. Vehicles with specifications above this wattage and speed would be classed as a motorcycle and would be illegal for use off-road. Victoria Police are responsible for enforcement of use both on and off-road.
- 4.4 Council officers are aware of two e-scooter operators with scooters that could be legally ridden on footpaths.
- 4.5 Council officers have been advised by a number of operators that dockless electric scooters would typically be collected by the operator for charging each evening before



being redeployed the following day. This reduces the likelihood of some of the negative effects seen with bike share schemes previously.

- 4.6 These services are internet-based services and do not have dedicated parking stations, payment kiosks or docks for the shared scooters.
- 4.7 Council officers are liaising with counterparts at neighbouring councils to develop a consistent response to the imminent arrival of electric shared scooters, including addressing the legalities and potential risks.
- 4.8 Council has no powers to regulate the deployment of dockless electric scooters. Legal advice has indicated that regulating such services is within the remit of the Victorian Government.
- 4.9 VicRoads and Transport for Victoria are investigating options around these types of vehicles.
- 4.10 Electric scooters are currently prohibited by regulations for use on roads, footpaths or bike tracks in New South Wales, South Australia and Western Australia. In Queensland, Transport and Main Roads recently issued a temporary permit to one scooter operator allowing them to operate during a review of Queensland's laws and regulations. This review is expected to be completed in December 2018.
- 4.11 Internationally, cities such as San Francisco, Nashville and Berlin have introduced regulations to manage and limit the number of companies and size of fleets including requirements to be obtain permits to operate.
- 4.12 Council officers are advocating for the introduction of regulations and minimum service standards for transport services including enforcement responsibilities by the Victorian Government under the *Road Safety Act 1986*.
- 4.13 On 4 November 2018, one electric scooter operator held a "pop up" event at Luna Park to promote their dockless electric shared scooter scheme. They did not obtain a permit to hold this event. These scooters were legally compliant under advice received from VicRoads.
- 4.14 Other operators have indicated that they would like the opportunity to hold "pop up" events in City of Port Phillip.
- 4.15 It is proposed that Council officers investigate the option of supporting a trial of legally compliant e-scooters in a confined area such as along the foreshore. This will help to determine and evaluate the public benefits, such as offering the community a convenient and flexible travel choice, against and any risks associated with dockless transport systems. The trial is dependent upon Council managing its public liability risk associated with this activity.
- 4.16 Applications for a trial would be reviewed and assessed based on factors including legal compliance, insurance, business and operational model and evidence of successful operations elsewhere.

5. CONSULTATION AND STAKEHOLDERS

- 5.1 Council officers are aware of a total of 13 electric scooter operators that are considering deployment in Australia. In conjunction with officers from City of Melbourne and City of Yarra, Council officers have contacted nine and met with four electric scooter operators to understand the business modelling, compliance of scooters and their intentions to launch in inner Melbourne.



- 5.2 Council officers have contacted Victoria Police to raise the awareness of the possible launch of electric scooters during the summer period 2018/19. Victoria Police have advised they are mindful of the scooter operators and will target the use of electric scooters classed as ‘motor vehicles’ on footpaths and public land if necessary.
- 5.3 Council officers undertook consultation with Council insurance brokers to assess the risk and cost associated for Council for both legally compliant scooters and those categorised as “motor vehicles” under the *Road Safety Act 1986*.
- 5.4 The following teams within the City of Port Phillip were consulted in the preparation of this report: ASSIST, City Permits, Communications and Engagement, Local Laws, Risk and Assurance, Safety and Amenity and Strategic Partnerships.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 Council officers will undertake further consultation with insurance providers to assess the risks and costs to Council.
- 6.2 Legal advice has indicated that where the electric scooter is classed as a motor vehicle the Victorian Police has powers to stop the user, impound the vehicle and issue fines for various offences.
- 6.3 Electric scooters classed as a motor vehicle will not be registered with VicRoads. Therefore, users may have no recourse through the Transport Accident Commission if injured.
- 6.4 Where the electric scooter is classified as a scooter and not a motor vehicle under the *Road Safety Act 1986*, Council’s powers to enforce restrictions are limited and, as with dockless bikes, the Victorian Government is best placed to regulate this dockless shared transport service.
- 6.5 City of Port Phillip has no allocated resources to remove and impound electric scooters. Resourcing these tasks would reduce resourcing to other local laws compliance activities. This is particularly relevant during the summer period when City of Port Phillip experiences a higher volume of visitors.

7. FINANCIAL IMPACT

- 7.1 Council’s previous experience with the enforcement of safety and amenity concerns surrounding dockless bike share operator oBike required significant resourcing from ASSIST, Local Laws and senior officer time to receive, investigate and address community concerns regarding safety and amenity.
- 7.2 Initial consultation with Council insurance providers regarding the implications of both compliant electric scooters and those classed as “motor vehicles” indicated that Council’s current insurance policy may not cover the electric scooters. A separate policy may need to be taken out and any additional premium has not yet been specified.
- 7.3 Council insurance providers highlighted the potential for future claims including personal injury claims, which would impact on Council’s premiums in future years.

8. ENVIRONMENTAL IMPACT

- 8.1 A well-regulated and well managed shared transport scheme has the potential to reduce the need for car travel and the negative environmental impacts associated with vehicle tailpipe emissions.



9. COMMUNITY IMPACT

- 9.1 Council seeks to make our City connected and easy to move around. A well-regulated, readily available, cheap and easy to use shared transport service such as dockless scooters could offer the community a convenient and flexible travel choice.
- 9.2 The unregulated deployment of electric scooters and “motor vehicles” has the potential to impact on community safety including increased risks to pedestrians sharing footpaths with high speed vehicles and the hazards posed by the placement and abandonment of scooters.
- 9.3 Previous experience with oBike highlights the potential for scooters to become an obstruction to people using the footpaths and public spaces in our City, requiring additional resources to collect scooters and repair any damage to public amenities.
- 9.4 Community expectations are that Council will manage and impound abandoned, improperly or dangerously parked dockless scooters. Council’s authorised officers have limited powers under the Local Law No. 1 to impound goods that are obstructing Council land. Regulations and minimum standards, coupled with clear enforcement responsibilities would facilitate a well operated service that avoids adverse impacts on safety and amenity, particularly around popular precincts within our City.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 **Direction 2** – We are connected and it’s easy to move around
- 10.2 **Council’s Move Connect Live: Integrated transport Strategy 2018-28 – Outcome 5:** Our community benefits from new transport options and technology
- 10.3 **Move Connect Live – Action 38:** Partner with the Victorian Government and other councils to regulate and promote shared transport services and manage disruptive shared transport technologies.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

December 2018 to February 2019

- 11.1.1 December 2018 - Investigate the feasibility of trialling compliant dockless electric scooters in a confined area such as the foreshore. Applications for a trial would be reviewed and assessed based on factors including legal compliance, current insurance, business and operational model and evidence of successful operations elsewhere.
- 11.1.2 December 2018 - Communicate Council’s position on managing dockless electric scooters to the community, partner organisations and electric scooter operators.
- 11.1.3 December 2018 to February 2019 – Council officers to communicate with the Victorian Police to ensure effective compliance for the use of those scooters categorised as “motor vehicles” and establish reporting process.
- 11.1.4 February 2019 – Council officers to seek to partner with other councils and organisations to prepare an advocacy approach to the Victorian Government for the regulation of shared transport services.



- 11.1.5 March 2019 – Implement advocacy approach to the Victoria Government in concert with partner organisations, calling on the newly formed Victorian Government to rapidly progress the introduction of regulations under the *Road Safety Act 1986* in 2019.

11.2 COMMUNICATION

- 11.2.1 Council's *Move, Connect, Live Strategy 2018-28* recognises that our community benefits from new transport options and technology. As part of this outcome Council is looking to partner with the Victorian Government and other councils to regulate and promote shared transport services and manage disruptive shared transport technologies.
- 11.2.2 Council is committed to working in partnership with our neighbouring councils in seeking a consistent and transparent approach to shared mobility services. Council officers have concerns about the current legal compliance status of electric scooters and the impacts of dockless electric scooters on the safety and amenity enjoyed by our community, particularly on footpaths, and public spaces in our City.
- 11.2.3 Officers will write to Victorian Government agencies advocating to rapidly progress the introduction of regulations under the Road Safety Act 1986 in 2019 to establish minimum and enforceable service standards for shared transport services such as dockless electric scooters. These regulations will preserve the safety and amenity of local councils and communities and provide certainty to prospective new shared transport service businesses.

12. OFFICER DIRECT OR INDIRECT INTEREST

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

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ATTACHMENTS Nil