

QLDC Council
12 December 2019

Report for Agenda Item | Rīpoata moto e Rāraki take 2(a)

Department: Property & Infrastructure

Title | Taitara Lime scooters

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

- 1 The purpose of this report is to inform the Council on the risks and benefits of micromobility, and to consider whether to enter into a Memorandum of Understanding (MOU) for a trial period for dockless e-scooters with Lime Technology Limited (Lime).

EXECUTIVE SUMMARY | WHAKARĀPOPOTOTANGA MATUA

- 2 Lime have approached Council to discuss operation of a fleet of some 400 dockless e-scooters in Queenstown. Officers have investigated different control mechanisms for a possible trial and have summarised the recommended way forward in this paper. Officers also consider that in the absence of any control, Lime and others could operate on the roads and footpaths, as private owners of these vehicles already can.
- 3 Lime are not the only operator of such schemes but have approached Council, and officers consider a formal response should be made. Subject to the outcome of the paper at Council, an agreement with Lime will be pursued. It is noted that Auckland Council have not continued to licence Lime but have authorised other providers very recently. Officers have discussed this withdrawal with Lime who are currently awaiting a debrief. This has not changed the recommendation.

RECOMMENDATION | NGĀ TŪTOHUNGA

That Council:

1. **Note** the contents of this report;
2. **Authorise** officers to enter into a Memorandum of Understanding (MOU) with Lime for the operation of e-scooters in Queenstown;
3. **Agree** to provide public notification about the trial at least two weeks prior to its commencement.

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CONTEXT | HOROPAKI

- 4 Lime Technology Limited (**Lime**) and QLDC have been in discussions regarding the possibility of establishing a dockless e-scooter operation in Queenstown. Lime have provided a concept of operations (at **Attachment A**).
- 5 Micromobility is an emerging transport mode that covers e-scooters and other power assisted devices for individual transport. It is relatively new and is yet to be fully understood. Micromobility is having a growing effect on transport mode choices globally for residents and tourists alike. E-scooters account for millions of journeys on a daily basis globally. They are used both recreationally, and as a genuine alternative to road based motor vehicles.
- 6 QLDC (and its partners in a transport collaboration) are exploring and encouraging alternative modes of travel, along with the associated need to change behaviour which currently favours the use of single occupancy vehicles (the private car). Greater emphasis is being put on Public Transport but also on active travel, generically covering walking and cycling. This also involves new and emerging transport options such as e-scooters, and particularly mass schemes for shared resources. Dockless transport systems mean that devices do not even need to be owned individually which could represent a more accessible and affordable option for some journeys.
- 7 In New Zealand, operation of these low powered vehicles by individuals is allowed on roads and on footpaths, subject to following the rules of the road¹.
- 8 The evidence of e-scooter use is still not particularly clear and most of the reported data is anecdotal or not well qualified. Auckland is about to carry out a review following a year of e-scooter operations and although significant indicators such as costs related to ACC claims are reported, it is not known how these might compare to other modes over the same period. The transport effects are similarly not well detailed, and the indications of trip numbers from the operators is probably not granular enough to identify the purpose of that trip.

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

- 9 It is not yet known whether the infrastructure that currently exists in Queenstown is suitable for a commercial e-scooter operation. The purpose of the trial proposed by this report is to test the suitability of Queenstown for a new emerging transport mode that could help to remove people from their cars and therefor ease congestion on our roads. We do know that when compared with other towns and cities that have shared e-scooter operations, Queenstown town centre is very compact. The e-scooters are limited generally to hard and flat surfaces so many of the tracks and trails in Queenstown may not be able to be utilised. The range of weather conditions may also be relevant to the success of e-scooter operations in Queenstown, as will the volume and ratio of tourists to residents.

¹ <https://gazette.govt.nz/notice/id/2018-au4674>

- 10 It is anticipated that the scooters will operate mainly in and around the town centre. However, the intention is to allow their use to be trialled across the Wakatipu Basin - so the operator will dictate the extent of the area. A large part of the value of the trial is to understand if this mode allows the replacement of private car trips. Fernhill and Frankton for example, are connected to the town through roads and paths (notably not the Frankton Track, as the surface is unsuitable) and feedback would provide useful data on how this mode deals with range and gradients.
- 11 Data will be collected from the operator but public feedback can also be sought.
- 12 The proposed approach is for Council to consider entering into an MOU with Lime for a trial period, in order to accurately gauge the impacts and benefits. A Draft MOU is included as **Attachment B**.

Regulation

- 13 Resource consents:
- a. Consent is not required for individual operation where pick-up locations are unzoned, e.g. Council roads and footpaths.
 - b. The hire of the scooters falls under the commercial activity definition and likely triggers consents where the scooters pick up locations are zoned e.g. parts of our Special Zones (e.g. Remarkables Park, Frankton Flats), any zoned parks and reserves, Town Centre Waterfront zone. Any depot or hub for centralised operations or repairs etc. may be subject to District Plan rules depending on where it is located. The onus will be with Lime to obtain consents as required or to avoid operations in those zones.
 - c. It should also be noted that there are a number of privately owned roads (such as Remarkables Park and some of 5 Mile) where Lime would need to obtain landowner permission.

Transport regulations

- 14 E-scooters are classified as low powered vehicles (by NZTA) and are limited to having wheel sizes no larger than 355mm and a power output of 300 watts or less. They require lights but may be ridden without helmets (although these are advised). They are permitted on roads and footpaths but are not permitted in on-road cycleways.

Preferred approach

- 15 It is proposed that any agreement entered into with Lime contains a number of controls to ensure that public places are managed appropriately, to protect the public's health and safety, and to protect the public from nuisance. It is also proposed to include a provision to charge Lime for the operation. The draft MOU contains the following controls:
- a. The operation is limited to land that is controlled by Council within the Wakatipu ward.

- b. Fees per scooter per annum, payable annually may be required, but may be waived for the duration of a trial period at Council's discretion.
- c. Limited to a maximum of 400 e-scooters.
- d. Operating hours are from 0500 to 2200 hours daily.
- e. Term – trial period of 6 months from effective date of any agreement.
- f. No more than 5 e-scooters are to be deployed in any one location in the morning.
- g. All e-scooters must be removed from the Central Business District (CBD) by 2300 hours daily.
- h. Lime must make all e-scooters inoperable between 2200 to 0500 hours daily.
- i. If the e-scooters are not removed from the CBD by 2300 hours the Council may seize the E-Scooter and a charge of \$100 will apply for its release.
- j. Restrictions in terms of speed, parking and giving way to pedestrians and drivers of mobility vehicles.
- k. The Council is able to amend any terms, or terminate the MOU, at the Chief Executive of the Council's sole discretion.
- l. Operation and parking key performance indicators (KPI's).
- m. Safety checks
- n. 24-hour contact number of Lime representative.
- o. Lime will be required to report to Council on the number of trips and incidents.

16 Option 1: Do nothing – allow the operation to be self-managed by Lime

Advantages:

- 17 Council incur no costs in management and enforcement.

Disadvantages:

- 18 Council are seen as staying at arm's length in a commercial activity that may affect the public.
- 19 A lack of management of other potential operators, of the same or similar devices, may be perceived as remiss and harder to establish if precedence is set.
- 20 If the Council does not proactively regulate the use of e-scooters in the District, it will miss an opportunity to ensure that e-scooters can successfully operate in Queenstown in a manner that provides a benefit in terms of transport options and does not adversely impact on the community.

21 Council would have no relationship with the operator, and therefore limited ability to collect data and influence the management regime.

22 **Option 2: Authorise officers to enter into a Memorandum of Understanding with Lime for the operation of e-scooters in Queenstown.**

Advantages:

23 Demonstration of co-operation in an emerging field of innovation.

24 Acceptance of disruptive technology.

25 Leadership and responsibility in the interests of the community.

Disadvantages:

26 Potential association with any failure of the trial.

27 Public perception of failing to protect community through high profile safety issues.

28 An MOU is not legally binding or enforceable.

29 **Option 3: Authorise officers to enter into a Permit under the Activities in Public Places Bylaw 2016 with Lime for the operation of e-scooters in Queenstown.**

Advantages:

30 Demonstration of co-operation in an emerging field of innovation.

31 Acceptance of disruptive technology.

32 Leadership and responsibility in the interests of the community.

Disadvantages:

33 Potential association with any failure of the trial.

34 Public perception of failing to protect community through high profile safety issues.

35 Risk that the permit could result in a legal challenge.

36 This report recommends **Option 2** for addressing the matter because it represents a balanced approach to changing technology and transport innovation, whilst balancing the public concerns regarding safety and lack of infrastructure. A memorandum of understanding is also the recommended form of agreement (refer paragraphs 46 to 54 below).

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

- 37 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because the recommended approach will allow a trial to enhance Council's understanding of a new activity. This can be preceded by public information to allow for widespread understanding.
- 38 The persons who are affected by or interested in this matter are the public in general, including residents and visitors.
- 39 The Council will provide public notification at least two weeks prior to the trial.

> MĀORI CONSULTATION | IWI RŪNANGA

- 40 The Council has not consulted with iwi on this matter.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

- 41 This matter relates to the Strategic/Political/Reputation It is associated with RISK00037 Lack of Alignment - Key relationships within the QLDC Risk Register. This risk has been assessed as having a moderate inherent risk rating.
- 42 The approval of the recommended option will support the Council by allowing it to implement additional controls for this risk. This shall be achieved by managing the risk proactively rather than allowing it to develop.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

- 43 Financial implications will be limited to enforcement activities as the burden of management is with the operator.

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

- 44 The following Council policies, strategies and bylaws were considered:
- Vision Beyond 2050: Our district is a place of social, environmental and technological enterprise.
 - Queenstown Town Centre Masterplan: A creative and innovative town centre.
 - The QLDC Disability Policy: safety of mobility device users.
 - Activities in Public Places Bylaw 2016
- 45 This matter is not specifically included in the Ten Year Plan/Annual Plan but does fall under the scope of the Queenstown Town Centre Masterplan.

LEGAL CONSIDERATIONS AND STATUTORY RESPONSIBILITIES | KA TURE WHAIWHAKAARO, ME KĀ TAKOHAHA WAETURE

46 An e-Scooter operation in Queenstown could be regulated through a permit under the Activities in Public Places Bylaw 2016 or a memorandum of understanding.

Permit under the Activities in Public Places Bylaw 2016

47 The Activities in Public Places Bylaw 2016 (**Bylaw**) was developed to enable the Council to control a number of activities that were occurring in public spaces to ensure that they did not cause a nuisance to the remainder of the general public. This was particularly the case for trading activities occurring in the public realm. The Bylaw does not specifically provide for an activity like the Lime proposal. However, it does regulate pop-up stalls.

48 When read in accordance with the purpose for which the Bylaw was created, the definition of a pop-up stall would include dockless e-scooters. Accordingly, they are captured by the Bylaw and are an event that Council is able to grant a permission for.

49 Members of the community have suggested that E-scooters should not be permitted under the Bylaw. There is therefore a risk that this interpretation may be challenged.

Memorandum of understanding

50 A memorandum of understanding (**MOU**) is a non-binding agreement that communicates expectations between parties. This means that it is not legally enforceable and should a disagreement arise between the parties, there is no legal recourse available. Any disagreements are required to be resolved through the parties' relationship. The Council may enter into an MOU with any party to clearly outline the terms of the relationship. In this case, it is appropriate to enter an MOU with Lime to record the terms that the parties have agreed should apply to the operation of E-scooters in Queenstown. The restrictions agreed will ensure that the e-scooters will operate safely and will fit seamlessly into the District.

51 Because the terms are recorded in an MOU, the Council will be relying on the relationship it has established with Lime to operate in good faith and abide by the terms of the MOU. Lime appear to be operating in good faith, and in Dunedin Lime have abided by the terms of its MOU. Lime also appear to be responsible operators and are responsive to any safety concerns. For example, Lime pulled all scooters off the street after reports of brakes locking in other centres.

52 Should the relationship between Lime and Council breakdown, the Council is still able to enforce any public nuisance under the Bylaw.

Overall

53 For the purpose of agreeing the terms of a trial period an MOU is the most appropriate form of agreement (a draft MOU is attached as Attachment B).

54 After the trial period, if the Council decides to create a longer term agreement with Lime, Council can then consider whether a different type of agreement or a permit under the Bylaw is more appropriate.

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KĀWANATAKA Ā-KĀIKA

55 The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses by improving Council's understand of this form of disruptive technology.
- Can be implemented through current funding under the Ten Year Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

ATTACHMENTS | NGĀ TĀPIRIHANGA

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| A | Lime – Concept of operations in Queenstown |
| B | Draft Memorandum of Understanding |