

Item 3.1**Resilient Transport and City of Sydney Services in a Changing World****File No: S051491****Minute by the Lord Mayor**

To Council:

Global fuel supply shocks, price volatility and geopolitical instability are increasingly exposing communities and local governments to economic and service delivery risk. Oil supply disruptions are becoming larger, faster and more frequent due to geopolitical conflict, climate impacts and concentrated supply chains.

The City of Sydney has long supported an active transport system and City services and operations that are resilient to fuel price volatility and oil supply disruption. Through the City's *Electrification of Transport in the City – Strategy and Action Plan*, released in 2023, we have already committed to converting our fleet to achieve net zero transport emissions by 2035. Through the City's long-standing investment in walking and cycling infrastructure, planning controls that support low-emissions transport, and sustained advocacy to other levels of government, the City continues to reduce fossil fuel dependence across its own operations and in the wider community.

The current oil supply shock, and the risk of more to come, makes it more important than ever to accelerate the transition away from fossil fuel dependence to renewable energy and for the NSW and Australian Governments to make walking, cycling and public transport the most affordable and reliable everyday travel options.

Resilient Operations of Local Government Services

City services such as waste collection and public domain cleansing are essential to public health and amenity and must be maintained during any fuel supply disruption. In March, I wrote to the Premier to ask that both waste management and public health cleansing services delivered by all Councils are classified as essential or priority services for the purposes of any future fuel rationing by the Federal or State Government. It is vital that Councils and their contractors are able to maintain this crucial public service.

Failure to classify domestic waste services as priority fuel recipients would lead to significant public health impacts. At this point there has been no impact on the City of Sydney's service delivery. We are fortunate that given the scale of our domestic waste collection contractor's operations, it has a lengthy runway of stockpiled fuel.

Exploring a transition to electric domestic waste collection vehicles as part of the next domestic waste contract or future service delivery is a sensible next step to increase resilience, reduce emissions, and will further mitigate risks associated with oil supply disruptions.

There are many services run by the City that are delivered by our fleet of 320 vehicles. The City has already transitioned 50% of our fleet – 27% to fully electric and 23% to hybrid. Some of these are specialised EVs such as footpath sweepers, waste collection buggies or light utilities. We also operate electric vans supporting the City events, library services and soon to be used to deliver meals on wheels. As a result, the City is in a good position to maintain delivery of key essential services in the event of any future fuel shortages. However, the increasing cost of fuel for these services has to be absorbed by the City.

Critically, our street cleaning ensures the public domain is free of public health hazards. It is vital for the City to maintain a clean and safe city for the many people who live, work and visit. The City has been trialling electric trucks for our public domain cleansing services since 2021. As part of the City's current fleet renewal program, we are moving away from larger garbage diesel trucks to allow the introduction of 8 hybrid trucks (which will achieve around 50% fuel reduction). We will also introduce 2 fully electric garbage compactors, to be used in parks and street cleaning.

Until the City's fleet is fully electric or hybrid, we remain at risk of fuel rationing in fuel crises.

Staff overseeing City services have been requested by the Chief Executive Officer to review business continuity plans in accordance with best practice to ensure we can continue to deliver essential services, including through prioritisation if necessary.

Resilient Community

For many years, the City has invested in walking and cycling improvements and advocated to the NSW Government for improved public transport service standards and infrastructure. This approach reduces congestion and makes our city liveable, less reliant on fossil fuels and cushions residents, workers and visitors from oil price volatility.

Accelerating the transition to more affordable and resilient transport requires action across all levels of government, with public transport being the responsibility of the NSW Government. Other jurisdictions have demonstrated how governments can respond to fuel shocks and cost of living pressures through fare reform. Queensland's \$0.50 flat fare resulted in an 18% increase in public transport patronage, while Victoria introduced free public transport for children and young people.

Public Transport Fare Reform

Strategic fare reform is one of the most direct levers available to the NSW Government to improve affordability and protect households from fuel price increases. Some groups and trip types are disadvantaged by current fare settings including:

- Children and young people, are charged for non-education related public transport trips. This can result in families driving children and young people to activities and appointments potentially adding more traffic on our streets or the financial cost of travel being borne by families.
- People making short train/metro trips, which are prevalent in the City, are priced the same as much longer journeys. For example, peak fares of \$4.33 on trains apply equally for a 1km trip as a 10km train ride to from the CBD to Croydon.
- Infrequent and hybrid commuters have become more common since the Covid-19 pandemic, but they are unlikely to benefit from daily fare caps of \$19.30 and weekly fare caps of \$50, which are designed for frequent, longer distance travel.

- International and part time tertiary students, who are excluded from NSW student transport concessions. NSW is out of step with all other Australian states and territories in not extending concession fares to international students, while part time tertiary students are also ineligible for concessions under current arrangements.

The NSW Government must consider a targeted program of public transport fare reform to address clear affordability and equity gaps in the current fare system.

More funding for active transport

Safe, connected cycling infrastructure reduces car dependence and insulates households from fuel costs. The City's experience shows that when you build cycleways, more people ride bikes. It's taken almost 20 years, but we have delivered a 156km cycling network. Cycling trips have tripled since 2010. The pedestrianisation of George Street has seen massive foot traffic growth.

Both Federal and NSW Government active transport spending represents less than 1% of all transport infrastructure funding. Council has long called for increased investment in active transport. Recently, I wrote to the Federal Transport Minister and met with her office to urge them to increase funding for active transport.

NSW and Federal Governments should prioritise increased and sustained funding for active transport infrastructure.

Reducing speed limits

Two weeks ago, the Federal Transport Minister, Catherine King launched the 'Every little bit helps' national campaign in response to the fuel crisis, which encourages drivers to go slower to conserve fuel. Then the Department of the Prime Minister and Cabinet published the Fuel Security for Australia statement containing fuel saving guidance for drivers that included advice to reduce speeds.

Late last year, Transport for NSW (TfNSW) released new Speed Zoning Standards, promising greater transparency in their assessment of Council's applications for lower speeds. The City has long called for speed limit reductions in our area and commenced a program of applying for speed limit reductions in early April guided by the new Standards.

At lower speed, traffic will be smoother, helping people who need to drive to conserve fuel. Speed limit reductions are quick to implement in response to the fuel crisis.

I welcome Federal Government calls for reduced driving speeds and ask that Transport for NSW accelerate speed limit reductions in our area to reduce fuel use in this fuel crisis.

EV Charging

Access to convenient and equitable EV charging is essential to support the transition for residents who need to drive, particularly those without off street parking. The City has taken decisive action to enable EV uptake through planning controls that require new developments to be EV ready, and through targeted participation in the NSW Government's kerbside charging program.

However, kerbside EV charging has its limits given impacts on the public domain and competing demands of our kerbsides for extended footpaths, trees, cycling infrastructure and loading. In dense inner city areas, scalable solutions are better delivered through non kerbside charging at locations designed for vehicle access and turnover such as publicly accessible car parks and service stations.

The NSW Government should prioritise the delivery of rapid EV charging at service stations and other publicly accessible off-street locations to support access to EV charging.

Recommendation

It is resolved that:

(A) Council note that:

- (i) the City of Sydney and the Lord Mayor have consistently acted to build an active transport system and deliver City services and operations that are resilient to fuel price shocks and oil supply disruptions, as outlined in the subject Minute; and
- (ii) in March 2026, the Lord Mayor wrote to the NSW Premier requesting that waste management and public health cleansing services delivered by all Councils be classified as essential or priority services for the purposes of any future fuel rationing by the Federal or State Government;

(B) Council endorse the package of measures outlined in the subject Minute to strengthen the resilience of City operations and the community to fuel price volatility and supply disruption, including continued investment in active transport, fleet electrification and advocacy to the NSW Government for lower speeds and public transport fare reform;

(C) the Chief Executive Officer be requested to investigate options and report to Council on:

- (i) the plan for the electrification of the City's remaining fleet; and
- (ii) the feasibility of a transition to electric domestic waste collection vehicles as part of the next domestic waste contract or future service delivery;

(D) the Lord Mayor be requested to write to the NSW Minister for Transport noting that increasing fuel price volatility and supply risk strengthens the case for a targeted program of public transport fare reform, and requesting that the NSW Government progress reforms to address clear affordability and equity gaps in the current fare system as outlined in the subject Minute;

(E) the Lord Mayor be requested to write to the NSW Minister for Climate Change and Energy seeking increased and accelerated funding for the delivery of more fast EV charging infrastructure within the City at service stations and publicly accessible car parks;

(F) the Lord Mayor be requested to write to the Federal Minister for Transport to call for an increase in Federal Government funding of active transport, particularly in light of the current fuel crisis; and

(G) the Lord Mayor be requested to seek an urgent meeting with the Minister for Roads and Minister for Transport about the issues and proposals raised in this Minute.

THE RT HON CLOVER MOORE AO

Lord Mayor of Sydney