

25 October 2017

Director, Housing Policy  
Department of Planning and Environment  
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Dear Sir/Madam

### **Submission on Short-Term Holiday Letting in NSW**

Thank you for the opportunity to provide input to the options for managing short-term holiday letting (STHL) in NSW.

As a key destination in NSW, the Port Macquarie-Hastings area has a strong tourism industry. As a consequence, Council has experience in dealing with problematic STHL uses and is in a good position to provide realistic and practical input into the consultation process. This submission is based upon the four themes set out in the *Short-Term Holiday Letting in NSW Options Paper*.

#### Industry Self-Regulation

The concept of self-regulation through a Code of Conduct is a positive element and is supported. However, industry self-regulation alone is not likely to address problem STHL uses, such as party houses.

#### Strata Regulation

Changes to strata laws that enable owners' corporations to effectively manage adverse impacts of STHL are supported. Changes such as those noted in the Options Paper would provide a number of realistic mechanisms to deal with inappropriate STHL without relying on council compliance options alone.

#### Planning Regulation

Planning regulations based on setting criteria by which STHL uses could be considered exempt development, complying development or development requiring consent are supported.

Triggers on the length of stay to determine whether a STHL use can be exempt or complying development are considered a necessary element not only to define lower impact STHL, but to adequately differentiate STHL from longer-term tenancy arrangements. An overall limit of 60 days use of a dwelling as short term rental accommodation in any 12 month period is considered a reasonable approach. It should be noted that it is difficult from a compliance perspective to monitor length of stay and therefore a requirement for hosts to maintain records of STHL use to enable compliance checks to be carried out would also be necessary.

Limiting the number of bedrooms that STHL can be carried out in without a DA is considered to be a primary mechanism for addressing potential amenity impacts. While it is recognised that limiting the number of bedrooms is not a fool proof measure for limiting occupancy, it is a

clear signal of the intent of the regulatory system in relation to low impact uses. A 4 bedroom limit is considered a reasonable trigger in this regard.

The presence of a host is arguably the most effective control for limiting amenity impacts and any proposal for STHL where a host is present to be exempt development is supported.

Staff have previously reported to Council the option of requiring the display of a sign at the front entry point to the property which provides a 24 hour management contact number where the owner of the dwelling is not in residence at the time of a short-term holiday letting. This remains an option for consideration and could be a trigger for when STHL is classified a complying development, along with other suitable criteria for uses that should not be exempt, but are not of a scale that require a DA.

Port Macquarie-Hastings Council has previously considered other matters as triggers for the level of regulation including:

- Parking requirements
- Waste management
- Bushfire prone land
- On-site sewage management

These issues, and others like the suitability of STHL on flood prone land, should also be considered as part of any state-wide approach to regulating STHL.

A standard LEP definition for STHL is supported.

#### Registration

Given the importance of a state-wide approach, a registration system hosted by a NSW Government Agency is supported. Such a system should be online to reduce costs and should require all the necessary information from a landlord to also serve as a “self-assessment” tool for compliance with the planning regulatory system adopted for NSW.

#### Conclusion

For the effective management of STHL to be achieved, a suite of measures will be required. Elements of each of the Themes covered by the Options Paper will be necessary. Importantly, a consistent approach across NSW is required to provide certainty to landlords and neighbours. Opportunities exist for minimising the costs of compliance on industry, including the use of exempt and complying development and online tools for STHL registration.

Should you wish to discuss any aspect of this submission, please contact Mr Dan Croft, Group Manager Development Assessment, on 6581 8628.

Yours sincerely



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Development & Environment