

Planning and Regulatory. L Heron
Phone: 02 4974 2817

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Director, Housing Policy
Department of Planning and Environment
GPO Box 39
SYDNEY NSW 2001



PO Box 489, Newcastle
NSW 2300 Australia
Phone: 4974 2000
Fax: 4974 2222
Email: mail@ncc.nsw.gov.au
www.newcastle.nsw.gov.au

Dear Sir/Madam

OPTIONS PAPER - SHORT-TERM HOLIDAY LETTING

I refer to the above matter and thank you for the opportunity to make a submission on the Options Paper.

Newcastle City Council supports the intent of the Options Paper to continue to enable the economic benefits of this type of accommodation while also managing the social and environmental impacts.

Please find enclosed Council's submission, which was endorsed by Council at the ordinary meeting of the 24 October 2017.

Please contact Leesa Heron by telephone on 4974 2817 or email at lheron@ncc.nsw.gov.au should you have any questions in relation to the issues raised within.

Yours faithfully



Joanne Dunkerley
URBAN PLANNER

1. The first part of the report deals with the general situation of the country and the results of the survey.

REPORT ON THE SURVEY OF THE SITUATION IN THE COUNTRY

The survey was carried out in the first half of the year 1955. It was a joint effort of the Ministry of the Interior and the Ministry of the Economy. The results of the survey are presented in this report. The first part of the report deals with the general situation of the country and the results of the survey. The second part of the report deals with the results of the survey in the different sectors of the economy. The third part of the report deals with the results of the survey in the different sectors of the economy. The fourth part of the report deals with the results of the survey in the different sectors of the economy.

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Ministry of the Interior
Ministry of the Economy

NEWCASTLE CITY COUNCIL - SUBMISSION SHORT-TERM HOLIDAY LETTING

Newcastle City Council (NCC) supports the intent of the Options Paper to continue to enable the economic benefits of this type of accommodation while also managing the social and environmental impacts.

Newcastle is located within the Hunter Region and its coastline is a main attraction for tourists. It is recognised that tourist and visitor accommodation within Newcastle City is not adequately serviced by traditional forms of accommodation such as hotels and motels. Short-term holiday letting (STHL) supplements the demand, while also providing suitable longer term accommodation for those working away from home.

The Newcastle Local Environmental Plan 2012 (which is a Standard Instrument LEP) does not specifically define, or have provisions for STHL. Notwithstanding this, Newcastle has approximately 270 listings across agencies such as Stayz and AirBNB for short-term rentals. However, in the past 10 years NCC has only determined around six applications for serviced apartments (the majority of which were for dedicated serviced apartment buildings).

NCC has concerns regarding potential amenity impacts of STHL, and supports uniform regulation to manage impacts and provide consistency. As such, NCC supports the following:

Amendment to Standard Instrument

The Options Paper recognises that there is no consistent definition of STHL. NCC agrees that a consistent definition is needed and suggests that a definition for short-term rental accommodation be included in the Standard Instrument.

It is suggested that references to 'holiday letting' should be omitted from the definition, as short term letting is not restricted to use by tourists. This form of accommodation is also widely being used by others such as seasonal or contract workers, and families visiting major hospitals (ie. The John Hunter) for treatment.

Regulation through the NSW Planning System

NCC supports regulation through the NSW planning system. It should be recognised however, that different Council areas will have requirements specific to the nature of their local government area, and the flexibility to regulate accordingly is important.

NCC recommends that the State Environmental Planning Policy (Exempt & Complying Development Code) 2008 be amended to include short term rental accommodation as exempt development within the residential and commercial zones only, with the inclusion of the following within the associated development standards:

(a) Size of dwellings

By limiting the size of dwellings (ie. number of bedrooms) this may assist in reducing the likelihood of large group rentals and the associated impacts these larger groups may have on neighbouring properties. NCC supports the inclusion of dwellings of 4 bedrooms and under within exempt provisions.

(b) Days Per Stay / Days Per Year

NCC believes it is important to differentiate short term rental accommodation from serviced apartments, and the inclusion of maximum consecutive days per stay and days per year will facilitate this. Residential accommodation is defined as *"a building or place used predominantly as a place of residence"*. Short term rental accommodation however should be considered to fall under the Tourist and Visitor Accommodation definition as it provides *'temporary or short term accommodation on a commercial basis'*.

Considering the above, NCC supports as exempt development short term accommodation for a period of no more than 28 consecutive days (4 weeks), and no more than 90 days per calendar year (based on the time period for NSW school holidays).

(c) Registration

NCC supports mandatory registration of all short term rental accommodation to a State Government Agency. This would assist in managing breaches to the regulatory framework, as upon registration, providers would agree to follow any mandatory guidelines and a Code of Conduct. This would also assist in managing breaches and limiting any amenity impacts on the wider community.

NCC also supports a requirement for a business identification sign to be affixed to the dwelling showing registration details (eg. registration number) and contact details for complaints (Council and/or manager). A copy of the registration should be required to be lodged with the respective local council for their records.

(d) Code of Conduct

NCC supports a State structured Code of Conduct which is issued in conjunction with registration. The Holiday Rental Industry Association has a National Code of Conduct, under which short term rental providers such as Stayz and HomeAway currently operate. A format similar to this and which clearly addresses protecting the amenity of the local area should be considered. Under this scheme, providers must agree to abide by the Code of Conduct upon registration and to provide a copy for tenants in a prominent position within a dwelling.

Breaches of the Code of Conduct may result in enforcement actions and/or revoking of registration.

(e) Bushfire

If the dwelling is located in a bush fire prone area, a bush fire evacuation plan must be attached to the dwelling in a prominent location.

(f) Amenity

The use of a dwelling for temporary accommodation should not detract from the usual amenity of the residential neighbourhood. NCC suggests that amenity issues such as noise, waste and parking be addressed under any development standards.

NCC supports proposals which fall outside of the above guidelines applying for approval via the development application process. Registration of the premise and compliance with a Code of Conduct would be required as consent conditions.

Building Code of Australia (BCA)

The Options Paper identifies that STHL can constitute a change in building classification under the BCA. It is arguable that STHL for most dwellings/apartments will involve a change in building classification (eg. from Class 1a to Class 1b for dwellings, and from Class 2 to Class 3 for apartments) which is a '*change of building use*' under the *Environmental Planning and Assessment Act 1979*. Under current legislation, owners would be required to obtain development consent each time the use of the premise is changed, back and forth between one BCA classification and another. NCC therefore feels it is necessary for a clear position on BCA classifications for STHL to be established.

NCC suggests that the option of setting aside '*change of building use*' triggers that generate the need for development consent to be obtained when dwellings/apartments temporarily switch to STHL usage, should be considered.

Compliance

NCC recommends that any amendment to regulate STHL should consider the implications it may have on compliance and investigative works carried out by councils.

Overall, NCC supports regulation which provides a streamlined registration and approval process for the owner; meets the objective of the respective zone; protects the amenity of the neighbourhood; and provides for efficient enforcement.

