To Whom It May Concern:

Re. Options Paper on short-term holiday letting

The Tourism and Transport Forum (TTF) is writing in response to the request for submissions to the NSW Government’s Short-term Holiday Letting in NSW – Options Paper (July 2017).

The Tourism & Transport Forum Australia (TTF) is the peak industry group for the tourism, transport and aviation sectors. We are a national, member-funded CEO forum, advocating the public policy interests of the largest corporations and institutions in the Australian tourism, transport, aviation and investment sectors. Our members include multinational companies and ASX Top 200 companies.

Regulation of short-term holiday letting (STHL) in NSW has the potential to boost NSW tourism supply while maintaining key safety standards for tourists. TTF believes priority in the regulation process should be given to consumer safety, boosting supply of accommodation options in regional NSW (i.e. areas in NSW not including Sydney, Newcastle and Wollongong) and ensuring a level playing field between STHL and traditional accommodation operators.

Regulation of the STHL industry must also consider the below:

1) **Consumer safety** - any dwelling to be used for STHL must adhere to safety regulations including fire safety and disability standards. To regulate this, there would need to be a Code of Conduct outlining this and a transparent register to monitor and allow for non-compliance to be fined.

2) **Tourism in regional areas** – STHL plays an important role in supporting local regional economies and promoting the growth of regional tourism, therefore a distinction should be made between regional and metropolitan areas (i.e. Sydney, Newcastle and Wollongong).

3) **Level playing field** – there would need to be the creation of a data registry that is funded on a user-pays system, e.g. $50 annual fee. Similar to the San Francisco model, where metropolitan users can rent out a portion or the entire unit for an unlimited number of nights per year whilst present, but are limited to a maximum of 90 nights per year without being present. This could be enforced through local councils having authority to check the register and follow up complaints made. The fines from abusing the system would then flow back to the Council so they could recoup their cost.
Impacts Associated with STHL Over Tourism:
The combination of noise and anti-social behaviour, increased waste and use of community amenities and reduced parking -- particularly within strata properties -- means that if not properly regulated, the tourism industry could lose its social licence and create a perception of over tourism, as has been the case in some overseas jurisdictions.

Housing Affordability:
Housing affordability remains a key issue for the NSW Government. Having properties that are zoned as residential, that are now acting as quasi-hotels, is further constricting the supply side of the market and therefore contributing to the lack of affordable housing stock in metropolitan areas.

Self-Regulation Code of Conduct:
A new code of conduct should be adopted by the NSW Government in conjunction with both the traditional accommodation and STHL bodies. The Code should include expectations and responsibilities of all relevant parties, including property letters and owners, with a focus on how complaints and non-compliance of the Code are to be handled. As part of the Register process (detailed further below), the Code of Conduct must be compulsorily agreed to by anyone wishing to short-term let their property. Property owners that have not agreed to the Code of Conduct would have their listings removed. This Code would also require property letters to have insurance that covers the guests and the property during their stay, fire safety standards and be registered to short-term let their property with a NSW Government registry operated by Service NSW.

STHL in Strata Properties
If STHL is only permitted if hosts agree to the Code of Conduct, then many of the strata issues, such as noise, amenity and “party house” issues are mitigated. However there needs to be a clear complaint and non-compliance process to help balance tourism opportunities and the perception of over tourism.

Regulation through the Planning System
If STHL is regulated through registering properties and requiring all property hosts to comply with the Code of Conduct, then no further regulation is required in regional areas.

However, in metropolitan areas, un-hosted STHL should be limited to primary residences (i.e. not investment properties) and to 90 nights per year, similar to the San Francisco model.

All regional properties should be exempt as short-term holiday letting provides greater accommodation options for tourists, and disperses the wealth generated from tourism to regional areas. Regarding metropolitan properties, when hosts are present or when a primary residence property is being used for 90 days or less per year and is complying with the Code of Conduct, then these properties should be exempt from planning development control.

All other properties, e.g. investment properties or primary residences used in excess of 90 nights per year, would require a new development application requesting consent for the commercial use of the property for short-term letting.

Registration or Licensing
A Government-operated Register, e.g. via Service NSW that already holds information across different Government agencies, would require the property location, contact details of the property owner and
insurance policy information. It should also distinguish whether the property owner is present during the STHL.

Information from the Register could potentially be shared with Local Councils if local government bodies are charged with enforcing non-compliance of the Code. The money collected from non-compliance could be collected by local councils to fund this additional service.

The registration process must be simple and similar to the San Francisco model and all STHL platforms must have it as part of on boarding new properties.

I would like to thank the Ministers and the Department of Planning for their proactive communication and consultation on this issue. I look forward to continuing dialogue around the regulation of STHL and the outcome of the Options Paper to place consumer safety first.

Please do not hesitate to contact myself or TTF’s Tourism Policy Manager, Lucinda Millsom, if you require any further feedback, via 02) 9240 2007 or lmillsom@ttf.org.au.

Yours sincerely

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Chief Executive Officer

CC. Minister Anthony Roberts MP
    Minister Matt Kean MP