Department of Planning and Environment

Frequently Asked Questions



Short Term Rental Accommodation (STRA)

This document answers frequently asked questions about the rules for short term rental accommodation (STRA)

What is STRA?

Short-term rental accommodation (STRA) is accommodation in residential homes that is made available to others on a commercial basis for a temporary or short-term period. STRA is often facilitated through online booking platforms such as Stayz, Airbnb or Booking.com.

What are the rules?

The NSW Government has implemented a new statewide regulatory framework for STRA, which includes, a new planning framework, fire safety standards for STRA dwellings and a Government run STRA Register.

The new planning framework came into effect on 1 November 2021 for most of NSW and has since taken effect in the Byron Shire Local Government Area on 31 January 2022. The new planning framework compliments the mandatory <u>Code of Conduct</u> and changes to strata legislation made by the Department of Customer Service.

Under the new rules, short-term rental accommodation means:

Short-term rental accommodation means a dwelling used by the host to provide accommodation in the dwelling on a commercial basis for a temporary or short-term period.

The planning framework introduces additional terms for 'hosted' and 'non-hosted' STRA.

- Hosted STRA means that the host lives on the premises during the period of the accommodation provided.
- Non-hosted STRA means that the accommodation can be carried out without the host residing on the premises.

STRA can be undertaken in most dwellings under the new rules as exempt development. This means no formal approval is needed provided you comply with the requirements of the legislation.

You can check whether you can undertake STRA in your dwelling by checking the <u>legislation</u> or seeking advice from your local Council.

Why did the Government make these changes?

STRA has grown rapidly in NSW. Acknowledging the need to balance the benefits of short term accommodation with the needs of neighbours and local communities, an inquiry into the adequacy of the regulation of short-term holiday letting in NSW was held by the Legislative Assembly



Committee on Environment and Planning in May 2016. Recommendations from this inquiry helped inform and shape the policy that has been implemented today.

The regulatory framework seeks to ensure local communities continue to enjoy the economic benefits of STRA, while managing potential adverse impacts.

What do I need to do?

If you plan to use any part of your dwelling for short term rental, you must now:

- ensure your dwelling has been lawfully constructed
- make sure it meets the fire safety standards
- register it on the NSW STRA Register (see below)
- make sure you abide by the new Code of Conduct
- take note of any restrictions on the number of days it can be rented each year, and make sure you do not allow it to be rented out for more days that are allowed.

There are penalties for not complying with the new rules, including fines for failing to comply with the fire safety standards or enforcement proceedings by the local council.

What are the day limits?

Hosted STRA is not restricted by any day limits and can be carried out 365 days per year.

In some NSW local government areas (LGAs), there are limits on the number of days that a dwelling can be used for non-hosted STRA. Non-hosted STRA is restricted to a maximum of 180 days per 12 month annual period in the following areas:

- the Greater Sydney region (not including the Central Coast)
- the Ballina area
- the Byron area
- certain land in the Clarence Valley area, and
- certain land in the Muswellbrook area.

LGAs within the Greater Sydney region that are restricted to a maximum of 180 days per annual period include:

Bayside	City of Ryde	Ku-ring-gai	Sutherland
Blacktown	City of Sydney	Lane Cove	The Hills
Blue Mountains	Cumberland	Liverpool	Waverley
Burwood	Fairfield	Mosman	Willoughby
Camden	Georges River	North Sydney	Wollondilly
Campbelltown	Hawkesbury	Northern Beaches	Woollahra
Canterbury-Bankstown	Hornsby	Penrith	
City of Canada Bay	Hunters Hill	Randwick	
City of Parramatta	Inner West	Strathfield	



In all other LGAs, non-hosted STRA may take place 365 days a year.

As part of the planning for STRA, the Department asked all regional councils if they would like to take up the 180 day non hosted STRA policy option. Further requests to amend a non-hosted day limit will be considered as part of the policy's review.

How are the day limits counted?

The annual STRA day limits are calculated from when a premises becomes registered for STRA.

Is there an exception to the day limits?

For non-hosted STRA, where the booking is for 21 or more consecutive days, the booking will not count towards the day limits.

This supports mobile workforces and the corporate accommodation sector which tend to have longer stays and lower amenity impacts.

However, these dwellings must still be registered and comply with any other relevant STRA provisions, including the fire safety standards.

The STRA Register only collects data or requires information from booking transactions made by a guest. Periods when the property is blocked out by an owner for private use are not counted in the 180-day cap.

Under tenancy legislation, a STRA booking cannot last more than 3 months. For more information, visit NSW Fair Trading.

How can I register?

The STRA Register has been developed to ensure compliance with the new rules including the fire safety standards.

The STRA Register is available on the NSW Government's NSW Planning Portal.

You or your agent can register at the STRA home page on the NSW Planning Portal.

When registering, you will need to confirm that the dwelling meets the fire safety standards. There is a non-refundable one-off registration fee of \$65 for the initial 12 months and an ongoing annual renewal fee of \$25.

The STRA Register will capture the number of days a dwelling is used for STRA and enable monitoring of compliance with day limits. This is facilitated through information shared by STRA booking platforms (e.g. Booking.com, Airbnb and Stayz/Vrbo) and the STRA Register.

Alternatively, where you or your agent manage bookings, booking arrangement information will need be entered directly into the STRA Register for each booking.



How do I renew my registration?

A STRA Registration can be renewed on the Planning Portal 45 days before the renewal expiry date. Hosts will receive email reminders to renew their registration at 45 days, 30 days and 7 days prior to the renewal expiry date.

If a premises is not renewed by the expiry date, the registration is held for a further 3 months before it is automatically de-registered. During the three month period, the registration is blocked from accepting bookings from online booking platforms. Once the property is de-registered it cannot be renewed and a new property registration must be completed.

For technical assistance call 1300 305 695 or email stra@dpie.nsw.gov.au

Who has access to the STRA Register?

The STRA Register contains personal information. Host or premises details are not available to the general public.

The information contained within the register may be provided to the Department of Customer Service and local government authorities who may use the information for statutory purposes, including to take action to address fire safety concerns of persons occupying a dwelling as short-term rental accommodation or to enforce the mandatory Code of Conduct.

The Department is unable to provide personal details on the ownership or STRA compliance status of a particular premises to any person, (including neighbours)

What kind of dwellings count as STRA?

STRA can be undertaken in lawfully constructed dwellings used for the purpose of residential accommodation in all land use zones in which dwellings are currently permissible.

Typical residential accommodation dwelling types include:

- a dwelling house (e.g. a detached house), an attached dwelling, or a semi-detached dwelling
- a dual occupancy,
- multi dwelling housing,
- a residential flat (e.g. a unit in a block of flats),
- a secondary dwelling (e.g. a granny flat),
- shop top housing.

What kind of dwellings are not permitted for STRA?

The following dwellings are not permitted to be STRA under the rules:

- Boarding houses
- Seniors housing
- Rural workers' dwellings
- · Group homes



- Hostels
- Refuge or crisis accommodation
- Build-to-rent housing
- Co-living housing.

What about other types of tourist accommodation?

The STRA planning framework does not apply to tourist and visitor accommodation land uses.

Development approved tourist and visitor accommodation uses, such as serviced apartments, bed and breakfasts, eco-tourist facilities, hotels, motels, resorts, camping grounds or caravan parks, are not required to register for STRA.

They are allowed to continue to be listed on online accommodation platforms. Often an online platform will list the property as 'Exempt' meaning the host has identified it does not require registration.

If you are unsure of the status of the accommodation, contact your local Council for assistance.

Do I need to register my caravan or moveable tiny home for STRA?

Moveable dwellings such as caravans or tiny homes on private property are not required to register for STRA. Please note these are subject to the provisions of the <u>Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation</u> and local council approval may be required.

What is a 'host'?

The host is the person who provides a property to others for short term rental accommodation. In most cases the host is the owner, tenant or permanent resident of a dwelling. Hosts must abide by the rules for hosts in the STRA Code of Conduct.

What is the difference between hosted and non-hosted STRA?

Hosted STRA means that the host lives on the premises during the period of the accommodation provided. For example:

• a room in a dwelling that is rented for short periods where the host also resides. The host may come and go from the dwelling during the time of the accommodation (e.g. for work or recreation).

Hosted STRA may be undertaken on any land in a zone in which residential accommodation of a type corresponding to the dwelling is permitted with or without development consent, 365 days per year.

Non-hosted STRA means that the accommodation can be carried out without the host residing on the premises. For example:

• a holiday house or unit at a premises separate from where the host resides.



Non-hosted STRA may be undertaken on any land in a zone in which residential accommodation of a type corresponding to the dwelling is permitted with or without consent.

Individual residential units within a premises where there is an onsite manager or concierge are generally considered as non-hosted.

What if my dwelling is part of a strata building?

Some strata buildings have by-laws that prohibit STRA in a building where the dwelling is not your principal place of residence. This means that if you want to undertake non-hosted STRA in a strata building you must first check that there are no by-laws which prohibit STRA.

For more detail, visit the NSW Fair Trading website.

If your dwelling is in a strata building and is also your principal place of residence, then you can undertake STRA under the policy without reference to possible strata by-laws. However, as a host you must still comply with all requirements of the policy such as fire safety standard and registration on the STRA Register.

STRA hosts within strata or community schemes must also comply with <u>Code of Conduct</u> obligations to inform owners corporations and direct neighbours that the premises is used for STRA.

What if I already have a valid approval for STRA from my local council?

Where a valid development consent (DA) has been issued by a local council permitting the use of a dwelling for STRA, that development consent remains valid until proven otherwise or is amended by the applicant to vary the conditions of that consent.

If you already have a valid DA, then the day limit does not apply to your premises. Any day limit set out in a development consent condition must be complied with. You must however register your dwelling on the STRA Register and upload a copy of the DA consent document. Compliance with all other STRA rules including the Code of Conduct and fire safety regulations is also required.

What are the Fire Safety Standards?

The STRA fire safety standards provide for the safety of guests and visitors. They strike a balance between the need for robust safety requirements and cost prohibitive safety measures.

The new fire safety standards are outlined in the following table.



Dwelling type	Standard		
All dwellings	Mains-powered smoke alarms or long life, sealed battery powered smoke alarms in:		
	 — dwelling floor levels containing bedrooms, every corridor or hallway associated with a bedroom, or if there is no corridor or hallway, in an area between the bedrooms and the remainder if the building; and 		
	— each other storey not containing bedrooms.		
	Smoke alarms must comply with AS 3786.		
	Smoke alarms must be interconnected where there is more than one alarm. Wireless interconnected smoke alarms are permitted.		
	 An Evacuation Plan and signage to familiarise guests with the exit system, including the national emergency services number (000) and advice for guests to download the Emergency+ app. 		
Dwellings in multi-unit buildings only (Dwellings in Class 2 and Class 4 buildings)	 Entry doors that can be opened from inside the dwelling without a key Fire extinguisher and fire blanket in the kitchen 		
Secondary dwellings above a garage – in single dwelling houses (Class 1a buildings)	An inter-connected heat alarm in the garage		
	To clarify: a heat alarm is required where there is an approved secondary dwelling such as a 'Fonzie flat' or studio above the garage of the main dwelling. A standalone dwelling with a garage does not require a heat alarm in the garage.		
All	An Information Booklet/Advice Sheet on general emergency advice for the STRA and its location.		
All	STRA hosts and guests are also encouraged to download an appropriate emergency application to their mobile phones that provides sufficient information on potential environmental hazards for the location the STRA. For example:		
	 'Fires near Me' app: developed by NSW Rural Fire Service to provide warnings about bush fires and other incidents. 		

<u>Useful information</u> to help you prepare your Information /Advice sheet is available on the STRA website.

All equipment must be correctly installed as per the manufacturers specifications and the relevant Australian Standard.

As part of a STRA registration you must complete a declaration that the premises meets the STRA Fire Safety Standard. No formal compliance certificate is required to complete the STRA registration.

Your local council is responsible for monitoring compliance with the Fire Safety Standards.



What are the policy details?

The planning framework includes:

- A planning policy for STRA in State Environmental Planning Policy (Housing) 2021, that:
 - Provides a new definition for short-term rental accommodation, hosted STRA and non-hosted STRA
 - introduces an exempt development approval pathway for hosted and non-hosted STRA, facilitating:
 - o hosted STRA as exempt development in a dwelling, 365 days per year
 - non-hosted STRA as exempt development in a dwelling, 180 days per annual period from the date of registration in Greater Sydney and nominated regional NSW LGAs, and 365 days per year in all other locations
 - provides an exemption of bookings of 21 consecutive days or more from the 180 day limit on non-hosted STRA.

Additional fire safety measures for STRA within the <u>Environmental Planning and Assessment</u> Regulation (Development Certification and Fire Safety) 2021 apply to:

- specify fire safety standards for dwellings used for STRA and associated penalty notice offences for non-compliance
- create a new Government-run STRA Register that will ensure compliance with the new fire safety standards, as well track the day limits of each STRA dwelling.

What is an Exempt Development approval pathway?

Exempt development typically relates to minor building renovations or works that don't need any planning or building approval. Exempt development is very low impact development that can be done for certain residential, commercial and industrial properties. As long as the proposed works meet all of the development standards (identified in the relevant State Policy), approval may not be needed.

The new STRA planning framework provides a single, streamlined exempt development approval pathway that facilitates STRA in existing, lawfully approved residential accommodation A single exempt pathway allows for STRA to be undertaken without development consent so long as the new fire safety standards are met. Compliance of these standards is enforced through the Government-run STRA Register.

Please note the exempt development pathway is for the dwelling and does not exclude any particular zone in which STRA may occur. The exempt development pathway relies on the dwelling STRA is proposed to be carried out in being permitted with or without development consent on the land on which the dwelling is located.



How do these changes work with residential tenancy laws?

In April 2020, the Department of Customer Service amended the Fair-Trading Act 1987, Strata Schemes Management Act 2015 and the Residential Tenancies Act 2010 that provides owners' corporations the ability to pass by-laws prohibiting STRA from lots in their strata scheme that are not the principal place of residence of the host.

The changes also clarify that STRA activities of three months or less are not agreements covered by the residential tenancy framework.

For further details about the changes to strata and residential tenancy laws, visit the <u>NSW Fair</u> Trading website.

Who do I contact if I have concerns or questions?

For Code of Conduct matters such as noise and amenity impacts, contact the Department of Customer Service by visiting NSW Fair Trading.

Contact your local council for planning matters such as:

- number of days operating as non-hosted STRA
- compliance with fire safety standards.

Where can I find out more?

Visit the Department of Planning and Environment's <u>STRA webpage</u> for factsheets and information, or phone 1300 305 695 or email our Policy team on STHL@planning.nsw.gov.au.

To register, or manage your STRA listing, visit the NSW Planning Portal Page.

For technical problems with the Register, please phone 1300 305 695 or email stra@dpie.nsw.gov.au

If you require an interpreter, please call 131 450. Ask for an interpreter in your language and then request to be connected to our Information Centre on 1300 305 695.