



16 November 2018

Director Housing Policy
NSW Department of Planning
GPO Box 39
Sydney NSW 2001

Via online portal

Sydney Business Chamber

Level 23, 45 Clarence St
Sydney NSW 2000

GPO Box 4280
Sydney NSW 2001

P: (02) 9350 8119

E: enquiries@thechamber.com.au

Dear Sir/Madam,

RE: Short Term Rental Accommodation Amendments

The Sydney Business Chamber (the Chamber) welcomes the opportunity to comment on amendments to planning rules for Short-term Rental Accommodation (STRA) in NSW.

The Chamber is a division of the NSW Business Chamber and represents Sydney's leading corporations as well as organisations from the government and not-for-profit sectors. The Chamber strives to identify, develop and promote the major issues that contribute to economic activity and growth in Australia's global city, Sydney. This is achieved on behalf of business by representation and collaboration with governments at the local, state and federal level.

The Chamber has welcomed the Government's commitment to put in place a proper regulatory framework for STRA.

The emergence of online booking services and the growing confidence of consumers in the sharing economy has seen STRA through platforms such as Airbnb, Home & Away, Expedia, Booking.com and Wotif increase significantly.

Australia wide, STRA is estimated to be worth \$31.3 billion and can provide an important income stream for property owners as well as essential additional accommodation capacity during periods of peak tourism demand.

In the main, the STRA Planning Framework strikes a sensible balance in meeting the needs of hosts, guests and importantly the wider community as STRA becomes a larger feature of our accommodation offering.

The Chamber would however highlight a number of concerns with some of the proposed requirements.

Restrictions on persons

The Explanation of Intended Effect provides a recommended standard for all dwellings that "no more than 2 persons/bedroom or 12 persons whichever is the lesser" should stay in STRA.

This fails to acknowledge the practice of parents sleeping with a child or a larger room accommodating children in bunks.

The Chamber suggests that the recommended standard be 12 persons and if a limitation on persons/bedrooms is to apply, that this should only apply to dwellings in multi-unit buildings (with a specific exemption for children).

Installation of a lighting System in hallways activated by the smoke alarm system

While the Chamber appreciates the safety concerns in relation to STRA, requirements to install a lighting system in hallways that is activated by a smoke alarm system in all dwellings would represent a significant cost to hosts.

The Chamber suggests that the recommended standard should not require a lighting system be activated via the smoke alarm system.

STRA on bushfire prone land

The Chamber notes that the EIE proposes that when a host is not present and the property is on bushfire prone land that a complying development approval will be required for STRA.

The Chamber suggests that rather than a requirement for an approval, specific requirements on those properties (in terms of hosts informing guests of bushfire response plans) would be a preferable approach.

As a general point, further work should be undertaken across Government in ensuring that in the event of a bushfire, flood or storm, emergency and evacuation messages are shared across affected areas as quickly as possible.

The Chamber thanks you once again for the opportunity to comment on the proposed SEPP amendment.

Mandatory Code of Conduct

The EIE indicates that the Department of Finance, Services and Innovation will be developing a new code of conduct for online platforms, managing agents, hosts and guests. This code will include provisions in relation to the resolution of complaints with STRA and issues with anti-social behaviour arising from STRA. The Chamber would welcome the opportunity to be engaged in development of this Code of Conduct.

Further regulatory reform

While we strongly endorse the approach of Government in looking to set a proper regulatory framework for STRA, a key concern for traditional accommodation providers is that the emergence and growth of new accommodation platforms have created an uneven regulatory playing field. Some within industry may see the new framework as codifying the current regulatory imbalance.

The NSW Government's response to the 2016 Parliamentary Review into the Adequacy of the regulation of short-term holiday letting in New South Wales suggested that:

The principles for regulating traditional accommodation operators and short-term holiday letting should be aligned, fit for purpose and focused on consumer and community safety and amenity. The issues will be investigated further.

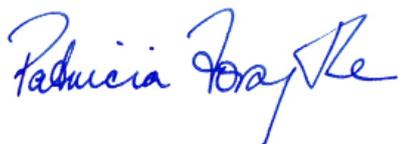
The NSW Government will continue to work closely with all stakeholders to identify opportunities for regulatory reform.

While the Chamber strongly endorses the Government's willingness to develop a new regulatory framework for STRA, measures to reduce regulatory burden on traditional accommodation providers has not yet been forthcoming.

Our tourism offering benefits from a diversity of options for guests. The new STRA Planning Framework should therefore be leveraged to examine ways in which regulatory burden for all accommodation providers can be reduced.

Thank you once again for the opportunity to provide a submission to the review. If you have any further questions in relation to the submission please contact Luke Aitken, Senior Manager, Policy on 9458 7582 or luke.aitken@nswbc.com.au

Yours sincerely

A handwritten signature in blue ink that reads "Patricia Forsythe".

The Hon. Patricia Forsythe
Executive Director