# SHORT TERM RENTAL ACCOMMODATION

**Information Release - Development Planning & Policy** 

October 2021

#### Scope

This Information Release is intended to provide relevant stakeholders with information on the introduction of provisions for Short Term Rental Accommodation (STRA) which became effective on 1 November 2021.

The State's new treatment of STRAs is based on recent legislative amendments and will be a variation to the subsection of 6.3.1 "Holiday Lets" in Planning for Bush Fire Protection 2019 (PBP).

Holiday Lets in PBP-2019 have the same definition as STRA in the *State Environmental Planning Policy (Affordable Rental Housing) Amendment (Short-term Rental Accommodation) 2021.* 

The NSW Department of Planning, Industry and Environment (DPIE) has provided further information and frequently asked questions on its website regarding requirements and fire safety standards.

## **Background**

On 9 April 2021, the NSW Government announced a new state-wide policy for STRA and approved State Environmental Planning Policy (*Affordable Rental Housing*) *Amendment (Short-term Rental Accommodation*) 2021. The new STRA policy included a deferred commencement clause, meaning the new planning rules took effect on **1 November 2021**<sup>1</sup>.

DPIE has conducted ongoing consultation with stakeholders and feedback received from councils, industry and the general public. This process first started in November 2016 with the Government initiative to consistently address regulation for STRA's.

The new state-wide regulatory framework and associated provisions have been developed to provide more certainty within the planning system regarding STRA's and clearly outlines the responsibilities for all participants.

Historically, the NSW Rural Fire Service (NSW RFS) had provided requirements for STRAs under the definition of Holiday Lets in PBP-2006 and PBP-2019 as Special Fire Protection Purpose (SFPP) developments and specific tourism uses.

### **Summary of changes**

The introduction of the new state-wide policies and accompanying legislative amendments overrides the existing information in PBP for Holiday Lets and introduces a new process which removes the requirement for referral to the NSW RFS under Integrated Development and section 100B of the *Rural Fires Act* effective 1 November 2021 for most Councils.

With regard to PBP tourist accommodation the following dwelling types will not be considered STRA uses and will continue to be referred under section 100B of the *Rural Fires Act*:

- boarding houses
- group homes

<sup>&</sup>lt;sup>1</sup> Please note that the provisions for Byron Shire will come into effect on 31 January 2022.

- hostels
- rural workers' dwellings
- seniors housings

## Implications for relevant stakeholders

The approval process for residential dwellings remains unchanged for developments referred under section 4.14 of the *Environmental Planning and Assessment Act* (EP&A). STRA's are allowed in any of the following lawfully constructed residential dwelling types as long as they comply with the *State Environmental Planning Policy (Affordable Rental Housing) Amendment (Short-term Rental Accommodation) 2021:* 

- dwelling houses (e.g. a detached or attached house)
- dual occupancy and/or secondary dwellings (e.g. a granny flats)
- > multi-dwelling housing
- residential flat buildings (e.g. a unit in a block of flats)
- semi-detached dwellings
- shop-top housing

STRA's are deemed as a "use" of a residential dwelling and the new planning policy framework comprises new standard provisions:

- a new definition for STRA, hosted STRA and non-hosted STRA
- an exempt development pathway to include:
  - hosted STRA in a dwelling, 365 days per year
  - non-hosted STRA in a dwelling, 180 days per year in Greater Sydney and nominated regional NSW LGAs and 365 days per year in all other locations

#### **Outcomes**

STRA's no longer require referral to the NSW RFS as they are not considered as Special Fire Protection Purpose Developments and are considered a "use" of a residential dwelling.

The process for assessment and approval for residential single dwellings will remain unaltered.

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