



# NEW NSW STATEWIDE POLICY FOR SHORT TERM RENTAL ACCOMMODATION DELAYED

#### **Adrian Mueller**

Partner I Senior Lawyer B.Com LLB FACCAL Email I LinkedIn



# NEW NSW STATEWIDE POLICY FOR SHORT TERM RENTAL ACCOMMODATION DELAYED

On the 9 April 2021, the NSW government announced a new statewide policy for Short Term Rental Accommodation (STRA). The commencement of the policy has been deferred to 1 November 2021.

The new STRA laws will override all short-term accommodation planning laws previously in place throughout NSW, including those enacted by local councils. (until the policy takes effect the regulation of STRA in NSW will continue to be the responsibility of local councils and owners corporations).

The NSW Government has implemented:

- <u>a new statewide regulatory framework for short-term rental accommodation</u> (STRA)
- fire safety standards for STRA dwellings
- a government-run STRA Register
- the <u>STRA Code of Conduct</u> and <u>exclusion register</u> that took effect on 18 December 2020

# The New STRA Planning Framework

The new STRA planning policy framework will comprise new standard provisions introducing:

- a new definition for STRA, hosted STRA and non-hosted STRA;
  - o an exempt development pathway for:
    - 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; and
- an exemption of bookings of 21 consecutive days or more from day limits for non-hosted STRA.

The STRA policy is supported by:

- amendments to the EP&A Regulation to introduce minimum fire safety standards for dwellings used for STRA and associated penalty notice offences for non-compliance; and
- the implementation of a new Government-run STRA register that will ensure compliance with the new fire safety standards, as well as tracking day limits of each STRA dwelling and provide details to assist local councils with monitoring STRA in their local government areas (LGA).

### **Definitions, FAQ's and Factsheets**

- Hosted short-term rental accommodation means short-term rental accommodation provided where the host resides on the premises during the provision of the accommodation.
- Non-hosted short-term rental accommodation means short-term rental accommodation provided where the host does not reside on the premises during the provision of the accommodation.

For further information about the New rules for STRA, please see these FAQ's and factsheets:

- Frequently asked questions April 2021 (PDF, 208 KB)
- Factsheet: Additional information for councils April 2021 (PDF, 165 KB)
- Factsheet: Information for hosts April 2021 (PDF, 247 KB)
- Factsheet guide for hosts: Emergency information April 2021 (PDF, 144 KB)

# STRA Fire Safety Standards

The STRA planning policy framework includes the new Short-term Rental Accommodation fire safety standards (fire safety standards). Dwellings proposed to be used for STRA are required to comply with the new fire safety standards.

The fire safety standards are enacted by the EP&A Regulation which:

- Introduce minimum fire safety standards for STRA dwellings and associated penalty notice offences for non-compliance
- Require all STRA dwellings to comply with the relevant fire safety standards, including the requirement for all STRA dwellings to an evacuation plan and interconnected smoke alarms
- Require all STRA dwellings to be registered on the Government-run STRA register to confirm compliance with the new fire safety standards.

View the <u>Short-term Rental Accommodation Fire Safety Standard</u> (PDF, 154 KB).

STRA hosts will also be required to ensure each STRA dwelling provides an information sheet on general emergency advice that provides advice to STRA guests regarding:



- What does a total fire ban mean and what you can and can't do on these days?
- What do different fire warning levels mean?
- Information on emergency service broadcasts and contacts.
- STRA hosts and guests will be encouraged to download an appropriate emergency application to their mobile phones, such as the "<u>emergency+</u>" app developed by the Federal Government.

### STRA Register

The department has developed a Government-run STRA Register that will be integrated with booking platform providers. Registration on the STRA Register is a mandatory requirement before you can undertake STRA in NSW and requires the registrant to confirm the STRA dwelling complies with the relevant fire safety standards.

Registration on the STRA Register commenced on 10 April 2021 to allow hosts to register their dwellings before the new planning rules commence on 1 November 2021.

The STRA Register will:

- Track the number of days a dwelling is used for STRA, which will be assisted through registration data collected from booking platform integration. This includes non-hosted STRA activities to assist with monitoring and compliance with non-hosted STRA day limits.
- Access to the department's STRA Register will be provided to all NSW councils and the Department of Customer Service to assist with monitoring and compliance.

Click here for <u>STRA Register access</u>\* For assistance with the register please call <u>1300 305 695</u>. \**Registration of a STRA dwelling will incur a one off* \$65 *registration fee and an ongoing* \$25 *annual fee.* 

#### Code of Conduct for STRA Industry and Supporting Regulation

On 18 December 2020, the new mandatory Code of Conduct and the accompanying Fair Trading Amendment (Short-term Rental Accommodation) (No 2) Regulation 2020 commenced.

The Code creates new minimum standards of behaviour and requirements for all industry participants, including:



- Booking platforms
- Hosts
- Guests
- Letting agents
- Facilitators.

For Code of Conduct information please visit NSW Fair Trading.

For further clarification of the new Short Term Rental Accommodation laws or by-law advice please contact us on the details below.

# Adrian Mueller Partner I B.Com LLB FACCAL adrianmueller@muellers.com.au

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JS Mueller & Co Lawyers has been servicing the strata industry across metropolitan and regional NSW for over 40 years. We are a specialist firm of strata lawyers with in depth and unmatched experience in, and comprehensive knowledge of all strata law inclusive of by-laws, building defects and levy collections.

02 9562 1266 enquiries@muellers.com.au www.muellers.com.au



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