

April 2021

Short Term Rental Accommodation (STRA)

The NSW Government has introduced a new statewide planning policy for STRA in NSW. The new planning rules further complement the [mandatory Code of Conduct for the Short-term Rental Accommodation Industry](#) and changes to strata legislation, previously made by NSW Fair Trading.

The whole-of-government policy balances enabling STRA, while also managing potential impacts on communities and the safety of guests.

The Department of Planning, Industry and Environment announced [new planning rules on 9 April 2021](#). These rules have a delayed commencement and will apply to all STRA dwellings in NSW **from 1 November 2021**.

The Policy amends *State Environmental Planning Policy (Affordable Rental Housing) 2009* (Affordable Rental Housing SEPP) and the Environmental Planning and Assessment Regulation 2000 (EP&A Regulation) to introduce the new planning rules, mandatory fire safety standard for STRA dwellings and a Government-run online STRA Register.

This factsheet provides general information for councils. It is a guide only and councils should also become familiar with the planning rules contained within the [Affordable Rental Housing SEPP](#).

Overview of the new STRA planning rules

The new planning rules introduced into the Affordable Housing Rental SEPP and EP&A Regulation now permit STRA to be undertaken as exempt development across NSW in existing, lawfully constructed residential accommodation. Dwellings proposed to be used for STRA must also comply with the new **Short-term Rental Accommodation Fire Safety Standard** and be registered on the new **Government-run STRA Register**, which councils have access to.

STRA can be undertaken as either hosted STRA or non-hosted STRA as follows:

- 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 local government areas (LGAs), and 365 days per year in all other locations.

The new planning provisions have also introduced:

- a new definition for STRA, hosted STRA and non-hosted STRA;
- an exemption from non-hosted STRA day limit restrictions for bookings of 21 consecutive days or more; and
- associated penalty notice offences for non-compliance with the STRA Fire Safety Standard.

STRA Exempt Development Pathway

STRA may be undertaken in a dwelling as exempt development in existing, lawfully constructed residential accommodation.

STRA cannot be undertaken in boarding houses, seniors housing, rural workers' dwellings, eco-tourist facilities, hostels, camping grounds or caravan parks, moveable dwellings, group homes, refuge or crisis accommodation or tourist and visitor accommodation uses to ensure they continue to meet their intended purpose.

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Additional Information for Councils

STRA is exempt development under two scenarios, being hosted and non-hosted STRA.

- **Hosted STRA** – must ensure the host resides on the premises during the period of the accommodation provided and 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** – can be carried out without the host residing on the premises and may be undertaken on any land in a zone in which residential accommodation of a type correspondence to the dwelling is permitted with or without consent, and that the use of the dwelling for non-hosted STRA does not cause the dwelling to be used for that purpose for more than 180 days in the following locations:
 - the Greater Sydney Region,
 - the Ballina area,
 - the Bega Valley area,
 - the City of Newcastle area,
 - the Dubbo Regional area,
 - certain land in the Clarence Valley area, and
 - certain land in the Muswellbrook area.

Byron Shire Local Government Area is exempt from the STRA policy until 31 January 2022.

What if valid approvals have been granted for STRA?

Where a valid development consent has been issued by a council permitting the use of a dwelling to provide short-term rental accommodation, that development consent remains valid until proven otherwise or is amended by the applicant to vary the conditions of that consent.

Where a valid development consent is in place for such a use, it may benefit from existing use rights under the existing local planning controls and the new statewide STRA planning rules will not apply, including the requirement for comply with the new STRA Fire Safety Standard and requirement to register the dwelling on the STRA Register.

How many days can a dwelling be used for STRA?

Day limits will apply to some non-hosted STRA, subject to its locality. Hosted STRA is not restricted by any day limits and can be undertaken 365 days per year.

Non-hosted STRA will be restricted to a maximum of 180 days a year in Greater Sydney and nominated regional local government areas (LGA) outlined above.

Non-hosted STRA may take place 365 days a year outside of these nominated LGAs.

Further, where a host is not present (i.e. non-hosted STRA) and the booking is for **21 or more consecutive days**, the booking will not count towards the above day limits.

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

STRA Register

All dwellings proposed to be used for STRA must be registered on the new Government-run STRA Register. Upon registration, hosts will be required to agree to a disclaimer confirming that the dwelling complies with the STRA fire safety standard.

The Register will also capture the number of days a property is used for STRA and will be integrated with key STRA booking platforms (e.g. Stayz and AirBnB), allowing for improved monitoring of the policy's day limits.

Information on STRA properties collected through the register will be available via the [NSW Planning Portal](#) to the relevant Council to assist with monitoring and compliance and to provide useful data about STRA in their LGA.

The Department will provide training sessions on the Register for council staff. Please visit the Department's Planning Portal for further information.

What safety standards apply to dwellings used for STRA?

New fire safety standards for STRA dwellings have been introduced via the EP&A Regulation. There is the potential to receive a penalty notice offence for not complying with the new fire safety standards. These safety standards provide for the safety of guests and visitors, who might be less familiar with their location than residents of a dwelling.

The fire safety standards have been revised in response to feedback received on the exhibited standards and strike an appropriate and reasonable balance between the need for higher safety requirements and cost prohibitive safety requirements.

The new fire safety standards for the corresponding BCA building classifications are outlined below.

Table 1 – Fire Safety Standards for STRA dwellings

Dwelling type	Standard
All dwellings	<ul style="list-style-type: none">• Installation of either main powered smoke alarms or long life, sealed battery powered smoke alarms in:<ul style="list-style-type: none">○ 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 of 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.• Making an Evacuation Plan, displaying 'evacuation signage' and familiarising guests with exit system, including the national emergency services number (000) and advise guests to download the <i>emergency+</i> app.

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Dwelling type	Standard
Dwellings in multi-unit buildings only (Dwellings in Class 2 and Class 4 buildings)	<ul style="list-style-type: none">• Entry doors should be openable from inside the dwelling without a key.• Installation of a fire extinguisher and fire blanket in the kitchen.
Standalone dwellings only (Class 1a buildings)	<ul style="list-style-type: none">• Installation of heat alarms in garages located beneath dwellings located above. This would be required only where the garage is not accessible to the guest/s.

Transitioning to the new policy

The new policy will not commence until **1 November 2021**.

The new planning instrument was gazetted on 9 April 2021, with delayed commencement. A delayed commencement provides councils and hosts the opportunity to make any necessary changes to comply with the policy.

Currently 11 councils have existing rules relating to STRA in their local planning controls. These provisions will no longer apply when the new statewide planning rules come into effect on 1 November 2021. There are no savings and transitional provisions, given this delayed commencement.

STRA in the Byron Shire LGA

It is acknowledged that STRA is a complex issue in the Byron Shire LGA.

Until 31 January 2022, the new STRA provisions will not apply in the Byron Shire LGA. After this date, the STRA provisions will apply, including a maximum of 180 days per year for non-hosted STRA.

During this time, Byron Shire Council proposes to finalise its planning proposal lodged in response to [Ministerial Direction 3.7](#) issued by the former Minister for Planning, which seeks to limit non-hosted STRA to 90 days in its LGA.

Until Byron Shire Council's planning proposal is determined or until the 31 January 2022, Council's existing local planning provisions remain in force.

Where can I find out more?

Visit the Department of Planning, Industry and Environment's [STRA webpage](#) for access to factsheets for hosts and councils or email the Housing Policy team on STHL@planning.nsw.gov.au. You can also call 1300 305 695 for further information.

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