

Short Term Rental Accommodation (STRA) review – February 2024

This document answers frequently asked questions about the NSW Government’s review of the STRA planning and regulatory framework.

Why is the STRA planning and regulatory framework being reviewed?

Since the introduction of the STRA planning and regulatory framework on 1 November 2021, housing affordability has deteriorated significantly in our State. At the same time, current projections indicate that another 1.7 million people will call NSW home by 2041, suggesting nearly 900,000 additional dwellings will be needed.

The NSW Government is investigating all available policy levers to help unlock housing supply and alleviate the ongoing housing affordability pressures felt throughout NSW.

The Department of Planning, Housing and Infrastructure and NSW Treasury are conducting a review of the adequacy of the STRA planning and regulatory framework to ensure we strike the right balance between short-term and long-term rental accommodation, including benefits to the tourism economy and potential costs in terms of housing availability and affordability.

The review will also identify possible ways to incentivise the use of the existing housing stock for long term residency across all forms of housing, including short-term rental accommodation, vacant property and holiday homes using a mixture of potential regulatory and revenue options.

What else will the review consider?

The NSW Government’s review will also explore a mixture of potential regulatory and revenue measures aimed at incentivising the long-term rental use of properties currently not used for long term rental accommodation (LTRA) or owner occupation, such as non-hosted STRA, vacant properties and holiday homes.

STRA, holiday homes not used for STRA and vacant property are currently not subject to specific revenue measures imposed by either the NSW Government or local councils. The NSW land tax does not differentiate investment properties by use, with investment properties used for LTRA being treated the same way as investment properties that are rarely or never occupied.

Potential revenue measures would raise government revenue which could be used to fund other housing initiatives, such as support programs for the homeless.

Will the review consider the findings of the Independent Planning Commission's advice on the Byron Shire Council Planning Proposal?

Yes. The review of the STRA planning and regulatory framework will consider the advice and recommendations provided by the Independent Planning Commission (IPC) within the broader context of the state-wide policy.

View the [IPC's Advice Report](#).

Will the review consider non-hosted STRA day caps?

Yes. The review will consider the adequacy of the current 180-day cap for non-hosted STRA activities and whether it has been successful in striking the right balance between the positive benefits of STRA, namely to the tourism economy, and its potential costs in terms of housing availability and affordability.

Consultation with local government and the broader community will also help inform the review of policy settings aimed at balancing the supply of homes to be used for long-term rental accommodation (LTRA) and the desire to support tourism and jobs in local economies.

How can I make a submission?

Feedback on the NSW Government's review of the STRA planning policy and regulatory framework and on options to encourage the supply of LTRA can be made during the exhibition period until 14 March 2024 via the NSW Planning Portal.

You can view our discussion paper and give us your feedback via the [NSW Planning Portal](#). You can also fill out a questionnaire available on the webpage.

Your feedback will help make sure we strike the right balance between the benefits of STRA, including to the tourism economy, and encouraging more supply of LTRA in NSW.

Can I still use my dwelling for STRA? What do I need to do?

Yes. The current STRA planning and regulatory framework still applies and hosts are still able to register their dwelling to be used for STRA.

If you plan to use any part of your dwelling for STRA, you must:

- 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 a non-hosted STRA dwelling 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 your local council.

What are the current 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 365 day annual period in the following areas:

- the Greater Sydney region (not including the Central Coast)
- the Ballina 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	

From 23 September 2024, non-hosted STRA in the [Byron Shire LGA](#) will be restricted to 60 days in any 365 period across the majority of the LGA, except in two mapped precincts in Byron Bay and Brunswick Heads where non-hosted STRA will not be restricted.

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

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 building (e.g., an apartment 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.

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.

These uses can 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.

What is an Exempt Development pathway?

Exempt development typically relates to minor building renovations, changes of use, 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 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.

Where can I find out more?

Visit the Department of Planning, Housing and Infrastructure's [STRA webpage](#) for factsheets and information, or phone 1300 305 695 or email our Policy team on STHL@planning.nsw.gov.au.