

Planning and registration changes

The State Government is progressing legislation to improve regulation around the Short-Term Rental Accommodation (STRA) sector.

This fact sheet outlines the changes that will take effect in 2024 with the introduction of new legislation and a registration requirement for STRA properties.

The changes will provide certainty and consistency across the sector and clarity on when planning (development) approval is required to operate a STRA property.

WHAT IS STRA?

Short-Term Rental Accommodation (STRA) refers to the practice of renting out a property (or part of a property) for a relatively short period of time, usually on a nightly or weekly basis.

This type of accommodation is usually booked through online platforms and is popular among travellers and visitors seeking temporary lodging for holidays, business trips or other short stays.

STRA can include types of properties that have not been developed for traditional accommodation purposes (e.g., hotels) and can include apartments, houses or even individual rooms within a host's residence.

STRA properties are either **hosted** – where the host lives onsite, or **unhosted** – where guests have exclusive use of an entire house, unit or apartment.

What do the changes mean for STRA operators?

Broadly speaking, the changes will ensure a more consistent set of rules for STRA properties across Western Australia, while supporting the role of STRA in regional areas.

Up until now, local governments have set their own requirements on whether approvals are required to establish STRA, as well as enforcement matters.

The proposed changes to planning regulations will provide greater consistency across the State in relation to what approvals are needed (if any) for STRA proposals, as well as how these uses are defined in local (town) planning schemes.

Importantly, the changes **do not** introduce a cap on the number of nights a property can be leased on the short-term market.

Along with a new registration scheme, the changes will provide important data for both local and State government to inform strategic planning for housing, development and tourism opportunities.

STRA REGISTER

The STRA Register will collect information on the short-term rental accommodation sector to assist the State Government to make more informed policy and regulatory decisions.

The register will also provide information to the community about what STRA exists in an area.

The register is expected to open in mid-2024. All STRA will need to be registered by 1 January 2025. In addition, property owners will have until 1 January 2026 to provide evidence of compliance with local planning requirements to remain registered.

You must register your STRA property regardless of whether:

- guests stay in your property with you (hosted) or stay by themselves (unhosted).
- the property requires development approval.
- the property is currently exempt from planning approval (via a development application).

What do the changes mean for tourism and STRA?

A new planning policy, *Position Statement: Planning for Tourism and Short-Term Rental Accommodation* and associated guidelines provide guidance on how to better manage the land use impacts of tourism and STRA activities – particularly in residential areas.

Importantly, the policy **does not** propose any caps on the number of nights per year a property can be leased on the short-term market. A property can be operated as a short-term rental year-round, provided it has obtained the required planning approvals and is registered.

Key changes to Western Australia's planning framework include:

- state-wide planning exemptions for hosted STRA;
- new planning exemptions for unhosted STRA within the Perth metropolitan area;

- regional local governments (including Peel) to implement planning rules to suit the needs of their communities; and
- new and revised definitions to be introduced into all local government planning schemes which deal with STRA and tourism land uses.

To implement the changes, current planning regulations will need to be updated and local planning schemes amended. These changes will be implemented in conjunction with a new state-wide registration scheme for STRA.

What are the new planning requirements for STRA properties?

The changes **do not** introduce caps for STRA properties in Western Australia.

Planning Approval Exemption - Hosted STRA

Hosted STRA will be exempt from the requirement to obtain development (planning) approval as the primary owner or occupier of the residence remains onsite for the duration of a guest's stay. This means they can manage any issues that may arise, such as noise or parking, and is therefore considered to have very minimal impact on residential amenity and housing.

Perth Metropolitan area

An exemption from the requirement to obtain development approval will be in place where an unhosted STRA does not intend to rent their property out for more than 90-nights within a 12-month period.

Proposals that do intend to rent out the property for more than 90-nights will require development approval from the local government prior to registration and operation.

This single set of rules for Perth will ensure greater consistency across the metropolitan area and will allow the local government to assess higher-impact proposals on a case-by-case basis, also allowing for consultation to occur where necessary.

The 90-night exemption caters for property owners who wish to let out their primary residence for unhosted-STRA on a temporary basis (e.g., when on holidays) without needing development approval.

Regional areas (including Peel)

Each local government authority will have the flexibility to determine planning approval requirements based on local conditions and needs.

Unhosted STRA

The changes to the planning framework will include a consistent set of planning approval requirements for unhosted STRA across the Perth metropolitan area and provide for regional local governments to determine the most appropriate requirements for STRA properties in their locality.

How will the changes impact current and prospective STRA operators

Existing planning approvals for STRA will remain valid.

If you operate an unhosted STRA and do not have planning approval, you need to check with your local government to ensure compliance.

Where to from here?

More information:

www.wa.gov.au/STRA-initiatives

Timeline (indicative)

- Late 2023 - Releasing of Planning position statement
- Early 2024 - Amendments to Planning Regulations
- Mid 2024 - Local government amendments to include STRA into local planning schemes
- Early 2024 - Introduction of STRA Register legislation to Parliament
- Mid 2024 - STRA Register opens
- 1 January 2025 - Registration becomes mandatory
- 1 January 2026 - Property owners must demonstrate compliance with local planning requirements or risk de-registration