



All communications should be directed to the Chief Executive Officer

241 Rokeby Road SUBIACO WA 6008 PO Box 270 SUBIACO WA 6904

Telephone: 08 9237 9222 Facsimile: 08 9237 9200

Email: city@subiaco.wa.gov.au Website: www.subiaco.wa.gov.au

Enquiries: Matthew Cain

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MS JESSICA SHAW, MLA ECONOMICS AND INDUSTRY STANDING COMMITTEE PARLIAMENT HOUSE 4 HARVEST TERRACE WEST PERTH WA 6005

laeisc@parliament.wa.gov.au

Dear Ms Shaw,

## CITY OF SUBIACO RESPONSE - COMMITTEE INQUIRY INTO SHORT-STAY ACCOMMODATION IN WESTERN AUSTRALIA

Thank you for the opportunity to comment on the Economic and Industry Standing Committee's (the Committee) inquiry into short-stay accommodation in Western Australia. The City of Subiaco (the City) has reviewed the correspondence and the particular aspects of the Committee's inquiry into short-stay accommodation, and provides the following response.

In recent years, advances in technology and consumer awareness in relation to tourist accommodation options have significantly advanced. As a result, landowners in the metropolitan area and beyond have identified a new market for providing short-stay accommodation options to tourists and locals. The rapid expansion of companies such as Airbnb, Home Away and Stayz has seen a surge in the number of rental being made available for short-stay accommodation.

The City is aware of a number of other local governments within the inner metropolitan area and beyond that have considered, and in many instances, adopted planning policies or local laws to regulate the use of short-stay accommodation. It is understood that the introduction of such policies is generally to ensure that appropriate standards of management of short-stay accommodation are in place, whilst also minimising the risk of potential adverse impacts on the community.

At present, the City's statutory planning legislation, Town Planning Scheme No. 4 (TPS4), does not contain a specific land use category for short-stay accommodation. The City does not have a Local Planning Policy (LPP) or other planning control to guide the use and operation of this accommodation type. Given a lack of clear land use control from statutory legislation in TPS4, the City has formed the position that if

a building has been previously approved as a dwelling and is designed and capable of permanent accommodation, then the use of that dwelling for short-stay accommodation is consistent with the approval granted to the dwelling, and as a result, no further approval is necessary.

Whilst it is unclear how many properties operate within the City as short-stay accommodation rentals, as a result of the growth in popularity of this form of accommodation type, the City has sought to include a 'short-stay dwelling' land use within its draft Local Planning Scheme No. 5 (LPS5). Whilst LPS5 does not define short-stay accommodation, the land use has been made a permitted use within all zones of the City, and as such approval for this operation would not be required.

Whilst draft LPS5 is yet to be considered by Council or the Western Australian Planning Commission (WAPC), the City's inclusion of this land use category is considered appropriate in regards to recognising the need for a specific land use type for this form of accommodation within the planning framework. Following gazettal of LPS5, the City may consider adopting a Local Law, similar to that the City of Fremantle utilises, to manage this land use in a more controlled manner through registration and licensing. Any decision as to whether this process would occur would only be made following gazettal of LPS5.

The City notes that the City of Fremantle may have higher numbers of tourists and short-stay accommodation, and require greater levels of rigour, process and regulation so as to ensure amenity impacts upon existing residential areas are protected as far as possible. This is captured through their local law and registration process.

To date, the City's records indicate that Council has deliberated matters relating to short-stay accommodation twice, in November 2013 and July 2017.

At its meeting on 26 November 2013, Council was presented a report relating to draft LPS5 and the provision for short-stay accommodation in the planning framework. The purpose of the report was for Council to consider relevant planning issues and principles to inform the level of planning control required for short-stay accommodation as part of the future local planning scheme.

Council resolved to adopt a set of key principles to address planning control of shortstay land uses. Whilst the progression of a land use for short-stay accommodation was included within the current draft LPS5, the introduction of a local law to manage these forms of accommodation has not yet been progressed by the City, as LPS5 is yet to be determined by the WAPC.

Council again considered the matter of short-stay accommodation at its meeting on 25 July 2017 in a report from staff on a Western Australian Local Government Association (WALGA) discussion paper. The discussion paper sought comment on the extent of local government involvement and responsibility in controlling and

managing short-stay rental accommodation. Council formed the view that the planning framework should appropriately address short-stay accommodation in a more standardised and consistent manner across all local governments. Additionally, Council recommended that WALGA consider the principles previously adopted by Council on 26 November 2013 and the City of Fremantle's approach to short-stay accommodation as a model to controlling this form of accommodation within the metropolitan area. This approach would allow for provisions from local planning schemes to work in conjunction with a local law, establishing an appropriate practice for the control of short-stay accommodation.

The City's current position, as stated above, has not previously been challenged or queried, and is considered to be sufficient to address the use of dwellings for short-stay accommodation at this time. This position will continue until such time as LPS5 is finalised and the City's local planning policy framework is reviewed, which is intended to commence in early-mid 2019.

The City will continue to monitor amenity impacts presented by short-stay accommodation, and if required, will investigate measures to mitigate those impacts such as a local law or similar registration process.

In relation to the EISC's query regarding data collected on the increase in short-stay accommodation operations, the City does not have any relevant information that would be beneficial to the inquiry.

Should you have any further queries regarding this matter, please contact Matthew Cain of the City's Planning Services on

Yours sincerely

ALEXANDER PETROVSKI

**MANAGER PLANNING SERVICES**