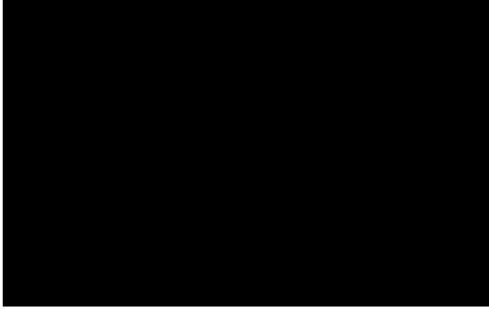


**Submission
No 27**

**ADEQUACY OF THE REGULATION OF SHORT-TERM
HOLIDAY LETTING IN NEW SOUTH WALES**

Name: Cr Jenny Green
Position: City of Sydney Councillor
Date Received: 23/10/2015



23 October 2015

Submission:

Adequacy of the regulation of short-term holiday letting in New South Wales
(Inquiry)

Tourism Accommodation Australia's discussion paper of June 2015 also accurately sums up the vexed issues of unregulated backpacker hostels and the flow-on impacts felt by the community and accommodation industry.

“The issue of unregulated accommodation has been around for a long time across all sectors of the accommodation industry. As much of the legislation relating to property development approvals sits at a State and local council level, standardisation of responses has proved difficult and the result has been a lack of enforcement and little incentive for compliance.”

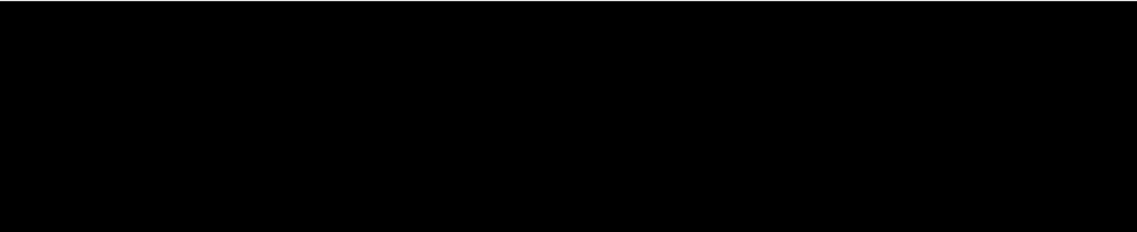
In the City of Sydney's Local Government Area there are approximately 60 backpacker hostels, 25 of these hostels are located in the small area of Potts Point/Kings Cross. The 25 hostels have been there for many years and were originally set up as boarding houses. They transitioned to backpacker hostels with very few conditions attached to their operations. They are currently operating in an area Zoned R1 General Residential – which 'Prohibits' tourist and visitor accommodation, but 'Existing Use Rights' permit operation.

Being “Existing Uses”, there is effectively little regulation other than fire regulations (under the Local Government Act). There are no enforceable Plans of Management, as with the more recent Hostels and Boarding Houses approved under the Planning Act.

Due to the lack of legislation and regulation associated with the operation of 'existing use' backpacker hostels, the City of Sydney faces the difficulty of trying to regulate this industry.

The adverse cumulative effects of over 3,000 guests in these 25 hostels and their antisocial behaviour in a densely populated residential area, impacts severely on the amenity of local residents.

In my role as a Councillor I continually receive complaints from residents in the Kings Cross / Potts Point area in relation to problems associated with backpacker antisocial behaviour occurring both inside hostels and immediately outside the premises.



As the legislation stands there are insufficient powers for the City of Sydney and other authorities to regulate and ensure responsible management of backpacker premises such as:

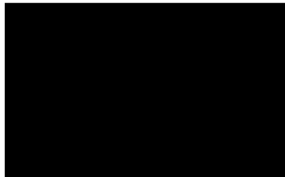
- (a) mandatory requirement for 24 hour onsite managers in hostels
- (b) enforceable plans of management
- (c) prohibition of consumption of alcohol on premises

The significant consumption of alcohol (by more than 60 people at a time – equivalent to a small bar) on hostel premises 7 days a week goes unregulated and unmanaged. Kings Cross business owners are dismayed by this, given the strict alcohol regulations in the area.

The City of Sydney welcomes young travellers, but it is of great concern that their safety is at risk while in backpacker premises which potentially operate with minimal regulatory standards under 'existing use rights'.

An obvious solution to bring the **unregulated** backpacker sector within accommodation enforcement principles would be the introduction of legislative measures and regulatory controls to address the lack of compliance.

Yours sincerely

A black rectangular redaction box covering the signature of Jenny Green.

Jenny Green