

**Submission
No 125**

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

Name: Mr Philip Corben
Date Received: 8/11/2015

Philip Corben and Lucy Purchas
[REDACTED]
[REDACTED]

8 November 2015

Director, Committees,
Legislative Assembly
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Sir / Madam,

Short Term Holiday Letting Inquiry

Background

My wife and I are the owners of the property [REDACTED]. We purchased this property in August 2008 as our family holiday home that we use approximately 6-8 weeks per year. We also holiday let the property to friends and guests.

Prior to our purchase of this house, we owned another property in [REDACTED], Byron Bay for 3 years that we also used as our family holiday home and short term holiday let.

Both properties were well managed by us, the guests were always carefully screened to check their suitability, sign a set of rules and guidelines on how to use the property prior to occupation and as a result we have never had problems with noise and behavioural issues and we have enjoyed a fantastic relationship with our neighbours.

State Government Inquiry

We understand the Terms of reference for the inquiry make particular reference to the following:

- a) The current situation in NSW and comparison with other jurisdictions
- b) The differences between traditional accommodation providers and online platforms
- c) The growth of short-term and online letting, and the changing character of the market
- d) The economic impacts of short-term letting on local and the state economies
- e) Regulatory issues posed by short-term letting including customer safety, land use planning and neighbourhood amenity, and licensing and taxation
- f) Any other related matters.

Commentary

The practice of short term holiday rentals has been a traditional activity since the 1800's across Australia. Many coastal towns and other popular destinations contain a large number of houses owned by families from surrounding cities that are used as holiday houses and then short term holiday let when not occupied by the owners.

The fundamental principle is that short and long term rental of a dwelling are equal and appropriate residential uses. Individual owners should have the right to choose to let short or long term but have the obligation to do it responsibly.

The current economy of Byron Bay is dependent on the flow of visitors that sources quote as 1.5 million each year. There is no doubt that tourists and tourism significantly contribute to monies spent in the Shire. To substantially limit or control short term holiday letting will no doubt have a significant adverse impact on tourist numbers and the income to the Shire.

The visitor economy in Byron Shire, as in many other destinations, depends on holiday letting and short term rental accommodation to provide a variety of accommodation for its overnight visitors. This is largely

due to the fact that one of the major attractions of Byron is that is a village environment without large scale hotel and resort accommodation as found on the Gold Coast or Sunshine Coast.

Besides the primary activity of receiving rental income, there is a whole sector of goods and service providers that depend on and benefit from overnight visitors. Short term holiday letting generates employment for agents, managers, cleaners, gardeners, linen services, electricians, plumbers, carpenters and hardware outlets that all benefit from the overnight visitor.

The short term rental of holiday houses also provides extra income to owners to pay for cost of mortgages, rates and land taxes etc.

As responsible holiday letters we follow a Code of Conduct for the self-regulation of STRA endorsed by the NSW State Government and we are members of [REDACTED]

Recommendation

It is therefore our humble opinion that the answer for effective and successful short term holiday letting must lie in not trying to limit or control short term holiday letting but effective self regulation and responsible management. So long as the properties are well managed, complaints about the behaviour of guests have a very low incidence. The exact same issues apply to permanent long term rentals.

The [REDACTED] has been instrumental in establishing a register of holiday let properties, providing rules and guidelines for responsible holiday letting management and most importantly created a security hotline to address the noise and behavioural issues, all for a modest annual fee that holiday let owners like us are most willing to pay. These initiatives have significantly improved the organization and management of holiday let properties in Byron Shire.

What holiday letters need is cooperation and support from Council and Local Government to assist the already established practices of the [REDACTED] and similar bodies to promote and improve further short term holiday letting in NSW.

Yours faithfully,

A large black rectangular redaction box covering the signature area.

Philip Corben