

DEVELOPMENT AND REGULATORY SERVICES**10.1.3 DRAFT LOCAL PLANNING POLICY NO. 5 - UNHOSTED SHORT-TERM RENTAL ACCOMMODATION (STRA)**

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File Reference: D25/14981
Applicant(s): N/A
Author Disclosure of Interest: Nil

SUMMARY

The purpose of this report is to consider a draft Local Planning Policy (LPP) to address Unhosted Short-Term Rental Accommodation (STRA).

OFFICER RECOMMENDATION IN BRIEF

That Council adopt draft Local Planning Policy No. 5 for the purpose of advertising in accordance with Schedule 2, Part 2, clause 4 of the *Planning and Development (Local Planning Schemes) Regulations 2015*.

BACKGROUND

On 25 March 2025, Council resolved to initiate an Amendment to Local Planning Scheme No. 3 which proposes to introduce, modify and delete various land uses and definitions to ensure consistency with the state planning framework associated with Short-term rental accommodation.

<https://www.cottesloe.wa.gov.au/council-meetings/ordinary-council-meeting/25-march-2025-ordinary-council-meeting/357/documents/agenda-ordinary-council-meeting-25-march-2025.pdf>

To support the proposed changes, a draft LPP has been prepared to provide guidelines for the assessment of development applications for unhosted STRA, to ensure the location, scale, design and operation is appropriate to maintain the amenity and character of the locality.

OFFICER COMMENT

The draft LPP has been prepared to complement and align with the proposed Scheme amendment and is consistent with WAPC's Planning Bulletin 115/2024 *STRA – Guidance for local government* which recommends the development of a policy to ensure holistic consideration of planning framework changes.

The Town's Officers have developed the draft policy having regard to guidance provided by WALGA for unhosted STRA and reviewing other local government draft policies including City of South Perth, City of Vincent, Shire of Harvey and City of Busselton.

The draft policy was also considered by Elected Members at the Elected Members Workshop held on Tuesday 1 April.

Registered unhosted STRA

As of 4 April 2025, the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) STRA register has a total of 123 unhosted properties within the Town (see attached). A development approval will be required for a number of these properties in the event that the property is used as unhosted STRA for more than 90 nights in a 12 month period.

Town staff have reviewed the STRA register to assist in preparing the policy. In particular, the amount of bedrooms and maximum guest numbers of registered unhosted STRA have been assessed and these details are illustrated for Council's information. This is shown on Attachment 1.

Operation and management

The draft LPP includes a checklist on what should be included in a Management Plan and House Rules, to demonstrate how the unhosted STRA can be operated without undue impact on neighbours and the wider locality.

The information requested is consistent with the WALGA's Local Planning Policy Guidelines. The Management Plan and House Rules will be advertised to neighbours and form part of the development approval.

Waste Management

The required Management Plan and House Rules detailed in the draft LPP for unhosted STRA includes a requirement for the applicant to set out waste management procedures. This is consistent with WALGA's Local Planning Policy Guidelines and will ensure that the STRA use can be adequately serviced.

Dwelling occupancy

Land use definitions provided in the *Planning and Development (Local Planning Schemes) Regulations 2015* prescribe a maximum of 12 people per night for unhosted STRA.

WALGA's Local Planning Policy Guidelines advises that there may be scenarios where further limiting occupancy is appropriate and can be guided by an LPP. This may be to achieve reasonable amenity outcomes for occupants, or to manage external impacts where 12 persons may be considered a significantly more intense use of a building than would reasonably be expected with regards to its size, location or typology.

Town Officers considered appropriate dwelling occupancy appropriate for the Town taking account of the above considerations. An analysis of the 123 unhosted STRA currently on the STRA register within the Town shows that the most common type of registered dwellings are

2 bedrooms accommodating up to 4 guests, followed by dwellings with 3 bedrooms which accommodate up to 6 guests (see Attachment 1). Approximately 89% consist of unhosted STRA properties of 3 bedrooms or less. In terms of guests, approximately 97% of properties have a maximum of 8 or less guests and of these, approximately 62% are a maximum of 4 guests or under.

The draft policy recommends that the maximum number of guests should relate to the number of bedrooms provided, with a maximum of 8 guests for a dwelling with 4 bedrooms or more (if guests are over 12 years old). The draft policy does provide flexibility when considering rentals by family groups however as it allows for an additional child (children 12 and under) per bedroom up to a maximum of 12 guests.

Maximum occupancy as follows:

Number of bedrooms	Maximum number of guests*
1	2
2	4
3	6
4+	8

**Excludes one child (12 years and under) per bedroom (Example: 4+ bedrooms can accommodate up to 8 adults, plus 4 children = maximum 12 guests).*

It is considered that this approach aligns capacity with dwelling size, encourages family friendly use without promoting large scale group stays. As noted above, current statistics for registered unhosted STRA's in the Town suggest that the most common types are 2 and 3 bedroom dwellings with 4 to 6 guests. Properties with a maximum of 8 guests tend to be rare (only 3% of the 123 registered).

Nonetheless, in unique situations, applications to accommodate more than 8 guests (over the age of 13) can be considered only if it can be demonstrated that they satisfy the draft policy objective, have a comprehensive management plan, and will achieve reasonable amenity for occupants and surrounding neighbours.

The Town will apply conditions to all proposed unhosted STRA to ensure adherence to Management Plans/House Rules, and time limitations of approvals may be applied where appropriate. However, all registered properties will still be able to have up to 12 guests for 90 days in a 12-month period, as this is exempt from requiring development approval under the state government regulations.

Parking

Under the *deemed-to-comply* provisions of the Residential Design Codes, new single houses on land zoned up to R40, and grouped dwellings and multiple dwellings on land zoned up to R25, generally require one or two on-site car bays depending on their proximity to a train station or high frequency bus stop. However, ancillary dwellings (granny flats) may be exempt from requiring a car-parking bay based on their location, and car parking for new residential development on higher density zoned land will be dependent on location and number of bedrooms.

The draft policy recommends that access and parking is addressed in the Management Plan submitted with each application, and that all guest, staff and visitor parking associated with the unhosted STRA is to be contained on-site and not located on-street or within the verge. However, for older developments that have no on-site parking an applicant will need to demonstrate how car parking can be accommodated in the Management Plan.

Whilst most STRA applications will likely include on-site parking arrangements, it is possible that some STRA occupants will not require parking, such as for overseas or interstate visitors. The draft policy therefore provides flexibility for this to be addressed by the applicant in the Management Plan, and the application may be granted for an initial period of 12 months where the appropriateness of the use is dependent on the effectiveness of proposed management procedures.

Time limitation of approvals

While it may not be applicable for all development applications, the draft LPP includes a provision which enables the Town to place a time limitation on an initial approval for unhosted STRA where the appropriateness of the use is dependent upon the effectiveness of proposed management arrangements.

If no complaints are received during this initial 12 month period, then subsequent approvals need not include a time limit.

ATTACHMENTS

10.1.3(a) Unhosted STRA Register Analysis [under separate cover]

10.1.3(b) Draft Local Planning Policy No. 5 - Unhosted Short-Term Rental Accommodation [under separate cover]

CONSULTATION

Schedule 2, Part 2, Division 2 – Local Planning Policies of the *Planning and Development (Local Planning Schemes) Regulations 2015* sets out the requirements for preparing local planning policies. In particular, clause 4 states:

- (1) *If the local government resolves to prepare a local planning policy the local government must, unless the Commission otherwise agrees, advertise the proposed policy as follows —*
 - (a) *publish in accordance with clause 87 the proposed policy and a notice giving details of —*
 - (i) *the subject and nature of the proposed policy; and*
 - (ii) *the objectives of the proposed policy; and*
 - (iii) *how the proposed policy is made available to the public in accordance with clause 87; and*
 - (iv) *the manner and form in which submissions may be made; and*
 - (v) *the period for making submissions and the last day of that period;*

- (b) *if, in the opinion of the local government, the policy is inconsistent with any State planning policy, give notice of the proposed policy to the Commission;*
 - (c) *give notice of the proposed policy in any other way and carry out any other consultation the local government considers appropriate.*
- (2) *The period for making submissions specified in a notice under subclause (1)(a)(v) must not be less than the period of 21 days after the day on which the notice is first published under subclause (1)(a).*

The policy is proposed to be advertised for a period of no less than 21 days as follows:

- notice in the local (Post) newspaper,
- notice, copy of the Policy and electronic submission form on the Town's website,
- notice and copy of the Policy at the front counter of the Town's Administration Office, and
- notice on the Town's Facebook page and email database.

STATUTORY IMPLICATIONS

- *Planning and Development (Local Planning Schemes) Regulations 2015 (Schedule 2, Part 2, clause 4)*
- *Planning & Development (Local Planning Schemes) Amendment (Short-Term Rental Accommodation) Regulations 2024 (All)*
- *Short Term Rental Accommodation Act 2024 (All)*
- *Planning Bulletin 115/2024 (All)*

POLICY IMPLICATIONS

The policy will apply to the whole of the municipality. Local Planning Policies are due regard planning instruments when local governments make planning determinations. The policy will assist the Town in exercising discretion more effectively and provide guidance on what is generally acceptable, while still allowing flexibility to consider site-specific circumstances and make informed judgments.

STRATEGIC IMPLICATIONS

This report is consistent with the Town's *Council Plan 2023-2033*.

Priority Area 4: Our Leadership and Governance - Strategic leadership providing open and accountable governance.

Major Strategy 4.3: Deliver open, accountable and transparent governance.

RESOURCE IMPLICATIONS

Resource requirements are in accordance with the existing budgetary allocation.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

There are no perceived sustainability implications arising from the officer's recommendation.

RISK MANAGEMENT IMPLICATIONS

If a STRA draft policy is not supported, then owner/applicants may be unaware of the Council's expectations in respect to the use. Further, the policy promotes consistency and transparency and provides guidance to Council staff in discretionary decision making which may avoid undesirable precedents being set.

VOTING REQUIREMENT

Simple Majority

OCM052/2025

OFFICER RECOMMENDATION AND COUNCIL RESOLUTION

Moved Cr Sadler

Seconded Cr Mason

THAT Council adopt for the purpose of advertising Draft Local Planning Policy No. 5 – 'Unhosted Short-Term Rental Accommodation' in accordance with Schedule 2, Part 2, clause 4 of the *Planning and Development (Local Planning Schemes) Regulations 201*

Carried by En Bloc Resolution 8/0