

CHANGES TO THE REQUIREMENTS FOR VISITOR ACCOMMODATION USE IN PLANNING SCHEMES

Purpose

This information sheet is issued by the Department of Justice, Planning Policy Unit to provide information on the changes to the requirements for visitor accommodation use in planning schemes that came into effect on 1 July 2018, as modified on 1 August 2018.

Requirements for new visitor accommodation use

The Minister for Planning has issued *Planning Directive No. 6 – Exemption and Standards for Visitor Accommodation in Planning Schemes*, as recommended by the Tasmanian Planning Commission, which implements changes to the requirements for new visitor accommodation use that does not meet the ‘home-sharing’ exemption.

‘HOME-SHARING’ EXEMPTION

Exemptions from planning and building approval still apply if a dwelling is used by the owner or occupier as their main place of residence and:

- it is let out to visitors while the owner or occupier is on vacation or temporarily absent; **OR**
- not more than 4 bedrooms are let out to visitors.

The changes that came into effect on 1 July 2018 relate to new visitor accommodation use within existing dwellings or other existing habitable buildings in residential zones if:

- they are not used by the owner or occupier as their main place of residence; or
- they are used by the owner or occupier as their main place of residence and visitors are accommodated in more than 4 bookable bedrooms.

Changes have also been made to the planning requirements for visitor accommodation use of dwellings that are part of a strata title arrangement (such as multiple dwellings or apartments). Planning restrictions that applied to visitor accommodation use in Battery Point prior to 1 July 2017 have been reinstated for uses that do not meet the ‘home-sharing’ exemption.

A summary of the new requirements is provided in Appendix I to this information sheet. Frequently asked questions and answers are also provided in this information sheet to assist with understanding the new requirements.

FREQUENTLY ASKED QUESTIONS

What changes have been made to the requirements for visitor accommodation use?

The new requirements change the circumstances for when visitor accommodation within residential zones is a 'Permitted' use under the planning scheme. No changes have been made to the 'home-sharing' exemption that came into effect on 1 July 2017.

For visitor accommodation use that does not meet the 'home-sharing' exemption, it must meet the following requirements to be a 'Permitted' use:

1. be located within a residential zone under an interim planning scheme (excluding the Battery Point Heritage Precinct (BPI)) and:
 - a) guests are accommodated within existing habitable buildings;
 - b) the use occupies not more than 200m² gross floor area per lot;
 - c) it is not part of a strata title arrangement that includes another dwelling;

OR

2. be located within Activity Area 1.0 Inner City Residential (Wapping) under the Sullivans Cove Planning Scheme 1997 and:
 - a) guests are accommodated within existing habitable buildings; and
 - b) the use occupies not more than 200m² floor area per lot.

The use must also meet all requirements in the planning scheme that are necessary for a 'Permitted' use.

Applications for visitor accommodation use that meet the 'Permitted' use requirements must complete the Visitor Accommodation Standard Application Package and submit it to their local council for approval. The Visitor Accommodation Standard Application Package includes the planning permit application form and the building self-assessment form and is available on the Department of Justice's [Tasmanian planning reform website](#).

Refer to Appendix I for further information on the new requirements.

What is the Visitor Accommodation Standard Application Package?

The Visitor Accommodation Standard Application Package includes the standard planning permit application form and the building self-assessment form. The Standard Application Package is available on the Department of Justice's [Tasmanian planning reform website](#).

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The Visitor Accommodation Standard Application Package must be completed for visitor accommodation use that meets the 'Permitted' use requirements within a residential zone under an interim planning scheme (excluding the Battery Point Heritage Precinct (BPI)), or Activity Area 1.0 Inner City Residential (Wapping) under the Sullivans Cove Planning Scheme 1997.

The planning permit application form is a standard form approved by the Tasmanian Planning Commission under section 51(IAA) of the *Land Use Planning and Approvals Act 1993*.

The building self-assessment form is a requirement of the *Director's Determination – Short or Medium Term Visitor Accommodation* issued by the Director of Building Control under the *Building Act 2016*. The building self-assessment form must be completed as part of the Visitor Accommodation Standard Application Package to demonstrate that the minimum building safety standards can be met.

The building self-assessment form sets out the minimum building safety standards with respect to an occupancy permit, plumbing and essential building services. If the minimum building safety requirements can be met, building approval is not required. Otherwise, building approval may be required. Talk to your local council for further information.

What restrictions apply in Battery Point?

The 'home-sharing' exemption that came into effect on 1 July 2017 still applies in Battery Point.

However, planning restrictions now apply to visitor accommodation use that does not meet the 'home-sharing' exemption within the Battery Point Heritage Precinct (BPI) under the Hobart Interim Planning Scheme 2015.

Visitor accommodation use within the Battery Point Heritage Precinct (BPI), unless for a bed and breakfast establishment, must not displace an existing residential use. Other requirements also apply under the Hobart Interim Planning Scheme. These requirements and restrictions are the same as those that applied prior to 1 July 2017.

Please contact Hobart City Council for further information on the requirements in Battery Point.

How do these changes affect existing visitor accommodation use?

The new requirements for visitor accommodation use do not affect you if you currently operate a lawful visitor accommodation use. This includes any permits issued after 1 July 2017 under the requirements of *Interim Planning Directive No. 2 – Exemption and Standards for Visitor Accommodation in Planning Schemes*. No further action is necessary.

Can I renovate or build for visitor accommodation?

Yes, but you must comply with normal planning and building requirements and procedures. Talk to your local council for more information.

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The new requirements only apply to visitor accommodation use in a residential zone, not development. Any proposed building or works will require planning and building approval (unless otherwise exempt).

There are no additional requirements under the *Building Act 2016* for owners or occupiers of an existing dwelling or residential premises used or intended to be used for short or medium term visitor accommodation, if the property is their main place of residence and has four or less bookable rooms.

However, if building work is required as part of converting the dwelling or residential premises to visitor accommodation then:

- the owner may need to take into account the Access to Premises Standard requirements; and
- if the property is in a bushfire prone area there may be a need to create/review the Bushfire Management Hazard Plan for the property.

Owners or occupiers of dwellings or residential premises used or intended to be used for visitor accommodation in a bushfire prone area should ensure they have a current Bushfire Management Hazard Plan and that the plan is reviewed regularly. The evacuation plan should be readily available to persons staying in the property.

I have an apartment. Can I use it for visitor accommodation? Do I need planning or building approval?

Yes, an apartment may be used for visitor accommodation in accordance with the requirements specified in Appendix I, provided you comply with any additional requirements from the body corporate.

Planning or building approval is not required if you meet the 'home-sharing' exemption.

Planning approval will be required to use an apartment for visitor accommodation if it is not your main place of residence, or you intend to accommodate visitors within more than four bookable bedrooms. Specific building requirements may also be applicable.

New planning and building requirements apply to apartments if they are part of a strata title arrangement that includes other dwellings. Restrictions also apply to the use of apartments in Battery Point.

Refer to Appendix I for further information.

I have a granny flat. Do I need planning or building approval to use it for visitor accommodation?

Granny flats by definition are associated with, and ancillary to, the main house and generally share the same access, parking and service connections.

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Planning or building approval is not required if the granny flat is associated with, and ancillary to, another dwelling that you own or occupy as your main place of residence and you intend to let it out to visitors while you are on vacation or temporarily absent, or if not more than 4 bedrooms are available to visitors.

Planning approval will be required to use a granny flat for visitor accommodation if it is not associated with, and ancillary to, your main place of residence, or you intend to accommodate visitors within more than four bookable bedrooms. Specific building requirements may also be applicable.

Refer to Appendix I for further information.

Do I need insurance?

You should consult with your insurance provider to ensure appropriate coverage.

Owners or occupiers of dwellings or residential premises used or intended to be used for visitor accommodation, may need to review their insurance policies covering personal injury or loss caused to the visitors (commonly known as Public Liability insurance). Owners should seek their own independent advice on this issue as many domestic insurance policies may not cover the use of a building for visitor accommodation.

Will I have to pay land tax?

Land tax implications are separate from the new arrangements for planning and building requirements.

Properties are only exempt from land tax if they are classified as 'principal residence land' or as 'primary production land'.

Where 'principal residence land' is used for purposes other than as the owner's principal residence, land tax may apply.

For further information about land tax, please refer to the State Revenue Office's website at <http://www.sro.tas.gov.au>.

Will my council rates increase?

The Office of the Valuer General (OVG) provides a Property Classification Code (PCC) to each property, which is applied having regard to the current usage of the property as at date of inspection. This code is divided further to identify different uses with each area.

Local councils utilise OVG data to assess the rates on individual properties based on their individual rating models and rating resolutions.

When local councils approve a change of use for a property to "Visitor Accommodation", they usually request the OVG to undertake a supplementary valuation to review the values and PCC. In the case of a residential property that was changed to Visitor Accommodation, the OVG would in most cases change the PCC from 'R1 – House' to a commercial classification 'C52 –

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Holiday Apartment', if that was the predominant use of the property. The valuation would be reviewed also. These changes are dependent on advice from the local council, when a change of use is approved.

The implication of a change of use from Residential to Visitor Accommodation (entire property, through either the Permitted or Discretionary permit pathway) will trigger reconsideration of the PCC by the OVG. In its determinations, the OVG will reclassify the PCC to the predominant use of the property. A review of the existing value will be undertaken accordingly, which may result in an increase in council rates.

For further information, please contact your local council.

If you believe that your property has been incorrectly valued, please contact the Office of the Valuer General.

Will I have to pay more or less for electricity?

Under the new arrangements, some existing small-scale visitor accommodation providers may find their 'businesses' fall into the exempt category from a planning/building perspective, where they are currently being charged a commercial rate for their electricity. An example may be a B&B that meets the exemption requirements, where the owner or occupier resides in the dwelling as their main place of residence and visitors are accommodated in not more than 4 bedrooms.

Such premises may request to have their residential tariff reinstated from 1 July 2017, by contacting Aurora Energy directly. However, this will be a decision by Aurora Energy, and their acceptance that the dwelling is principally used as a private dwelling.

Aurora Energy customers are assigned to tariff classes on the basis of their "usage and size" and deemed residential where the premises are "used wholly or principally as private residential dwelling(s)".

Aurora Energy will continue to apply the tariff existing at premises until a change is requested by the customer, or unless Aurora Energy is advised of a change by TasNetworks.

For visitor accommodation use in an existing habitable building and not more than 200m², the electricity tariff will still have a residential tariff apply.

If a change of use is reported to Aurora Energy and the electricity costs remain or are anticipated to be below 150 megawatt hours per year, the tariff will be classed as a small business tariff.

For further information, contact Aurora Energy directly on 1300 13 2007, or visit their website at www.auroraenergy.com.au.

Where can I get more information?

Planning Directive No. 6 – Exemption and Standards for Visitor Accommodation in Planning Schemes and the Visitor Accommodation Standard Application Package are available on the Department of Justice's [Tasmanian planning reform website](#).



CHANGES TO THE REQUIREMENTS FOR VISITOR ACCOMMODATION USE IN PLANNING SCHEMES

General enquiries about the changes to the requirements for visitor accommodation use should be directed to:

Planning Policy Unit, Department of Justice

GPO Box 825 HOBART TAS 7001

Ph (03) 6166 1429

email planning.unit@justice.tas.gov.au

1 August 2018

APPENDIX 1 – PLANNING AND BUILDING REQUIREMENTS FOR VISITOR ACCOMMODATION USE

Type of property	Homes used by their owner or occupier as their main place of residence	Investment properties, shacks, or other existing habitable buildings up to 200m ²	New buildings, non-habitable buildings or existing habitable buildings over 200m ²
<p>Planning Requirements</p>	<p>Exempt from requiring a planning permit if:</p> <ul style="list-style-type: none"> the dwelling is only let while the owner or occupier is on vacation or temporarily absent; or visitors are accommodated in not more than 4 bedrooms in the dwelling. <p>If it does not meet the exemption, a planning permit is required. The use will be 'Permitted' if:</p> <ul style="list-style-type: none"> it is located within a residential zone under an interim planning scheme (excluding the Battery Point Heritage Precinct (BPI))¹ and: <ul style="list-style-type: none"> guests are accommodated within habitable existing buildings; the use occupies not more than 200m² gross floor area per lot; and it is not part of a strata title arrangement that includes another dwelling; <p><u>OR</u></p> <ul style="list-style-type: none"> it is located within Activity Area 1.0 Inner City Residential (Wapping) under the Sullivans Cove Planning Scheme 1997 and: <ul style="list-style-type: none"> guests are accommodated within an existing habitable building; and it occupies not more than 200m² floor area per lot; <p><u>AND</u></p> <ul style="list-style-type: none"> all other requirements in the planning scheme are met that are necessary for a 'Permitted' use. 	<p>Planning approval is required. Apply to your local council.</p> <p>Visitor accommodation use is 'Permitted' if:</p> <ul style="list-style-type: none"> located within a residential zone under an interim planning scheme (excluding the Battery Point Heritage Precinct (BPI))¹ and: <ul style="list-style-type: none"> guests are accommodated within existing habitable buildings; and the use occupies not more than 200m² gross floor area per lot; and it is not part of a strata title arrangement that includes another dwelling; <p><u>OR</u></p> <ul style="list-style-type: none"> it is located within Activity Area 1.0 Inner City Residential (Wapping) under the Sullivans Cove Planning Scheme 1997 and: <ul style="list-style-type: none"> guests are accommodated within existing habitable buildings; and the use occupies not more than 200m² floor area per lot; <p><u>AND</u></p> <ul style="list-style-type: none"> all other requirements in the planning scheme are met that are necessary for a 'Permitted' use. 	<p>Planning approval is required if visitor accommodation use:</p> <ul style="list-style-type: none"> is intended for a new building or an existing non-habitable building; or occupies more than 200m² gross floor area within an existing building. <p>Contact your local council for further information.</p>

¹ Restrictions apply to visitor accommodation use within the Battery Point Heritage Precinct (BPI) for use that is not exempt from requiring a planning permit. Please contact Hobart City Council for further information.

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Type of property	Homes used by their owner or occupier as their main place of residence	Investment properties, shacks, or other existing habitable buildings up to 200m ²	New buildings, non-habitable buildings or existing habitable buildings over 200m ²
Building Requirements	<p>No building permit required, if the home has four or less bookable rooms.</p> <p>A Building Self-assessment Form must be completed if existing dwellings or residential premises are used or intended to be used as visitor accommodation with more than four bookable rooms.</p> <p>Note: if building work is proposed, then building approvals may be required. Planning approval may also be required.</p>	<p>A Building Self-assessment form must be completed in the following situations where the property is used or intended to be used for visitor accommodation:</p> <ul style="list-style-type: none"> owner occupiers of dwellings or residential premises of more than four bookable rooms; or investment properties or shacks (not occupied by the owner) that have a gross floor area of not more than 200m² used for visitor accommodation, <p>provided it is not part of a strata title arrangement that includes another dwelling, unless within Activity Area 1.0 Inner City Residential (Wapping) under the Sullivans Cove Planning Scheme 1997.</p> <p>Note: if building work is proposed, then building approvals may be required. Planning approval may also be required.</p>	<p>Building approval is required for dwellings or residential premises with more than four bookable rooms, or investment properties or shacks with more than 200m² (not occupied by the owner).</p> <p>Building approval may also be required for premises that are part of a strata title arrangement that includes another dwelling.</p> <p>Contact your local council for further information.</p>
What's next?	<p>No further steps are required if exempt from requiring a planning permit.</p> <p>If a planning permit is required and the use is 'Permitted', the Visitor Accommodation Standard Application Package must be completed, which combines the Planning Permit Application Form with the Building self-assessment Form.</p> <p>Lodge the standard application package with your local council.</p>	<p>If a planning permit is required and the use is 'Permitted', the Visitor Accommodation Standard Application Package must be completed, which combines the Planning Permit Application Form with the Building self-assessment Form.</p> <p>Lodge the standard application package with your local council.</p>	<p>Apply to your local council.</p>
What is involved?	<p>In all cases, check with your insurance company that you have adequate cover etc.</p> <p>If a planning permit is required and the use is 'Permitted', complete and sign the Visitor Accommodation Standard Application Package. An application fee of not more than \$250 will apply if the use is 'Permitted'.</p> <p>Your local council issues a planning permit.</p>	<p>If a planning permit is required and the use is 'Permitted', complete and sign the Visitor Accommodation Standard Application Package. An application fee of not more than \$250 will apply to the planning permit application if the use is 'Permitted'.</p> <p>Your local council issues a planning permit.</p>	<p>Building and planning requirements will be necessary.</p>