

# **MEDIA RELEASE**

## **Ruapehu District Council**



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### **COMMERCIAL ACCOMMODATION PROVIDERS URGE COUNCIL TO PROVIDE LEVEL PLAYING FIELD**

Commercial accommodation providers have asked the Ruapehu District Council (RDC) to look into the situation of B&Bs, homes and other lodgings who are commercially renting to the visitor industry without meeting the same regulatory or rating requirements.

The main issues concern commercial inequality and rating, and building code compliance and public safety, where the commercial operators are urging council to ensure there is a level playing field for all accommodation providers.

The situation also raises the potential for council to be liable for failing to ensure that the properties are not correctly designated and monitored under the relevant statutory obligations if there was a fire or health and safety event that caused death or serious injury.

Council's 2010 Non-Resident Ratepayer Survey found that the number of residential properties that are rented out as visitor accommodation could be as high as 48% of all residential holiday homes (which currently equates to 863 properties).

Group Manager Community and Regulation, Marion Smith, said that renting residential property for short term visitor accommodation changes its designation under the Building Act 2004 and requires the dwelling to have a Compliance Certificate and a Fire Evacuation Procedure in place which has been officially approved by a Fire Service Safety Officer.

"The owner must give written notice to council for a 'Change of Use' Building Consent request that allows council to ensure there are appropriate safety systems in place and this may initiate the requirement for a 'compliance schedule' and annual inspections," she said.

"Other districts with high numbers of residential properties that are used as rental accommodation such as the Queenstown Lakes District Council have developed policy and processes around regulating the use of properties for visitor accommodation that could help assist Ruapehu in developing our own policy and response."

RDC Chief Executive, David Hammond, stated that council recognised that any substantial change in rating policy for residential property being used as rented visitor accommodation was likely to arouse considerable public discussion and debate.

“Council is very concerned to take a balanced approach and is wary about going too far with residential home owners who may rent their property for short term visitor accommodation,” he said.

“So far council has only committed to developing a regulatory policy and process to deal with properties that may be required to apply for a ‘Change of Use’ Building Consent as well as starting the development of a policy for the potential ‘rating of residential property being used as rented visitor accommodation’ to be considered as part of the Revenue and Finance Review for the 2012-22 Long Term Plan.”

Mr Hammond said it would be very important that property owners understand in simple terms what this could mean for them and whether they will be affected.

“As such council will be developing an education campaign for owners of residential property that was being used as rented visitor accommodation,” he said.

“In the interim council would like holiday home owners, commercial accommodation operators and other stakeholders in Ruapehu’s visitor industry to provide feedback to council on this issue as a submission to the draft Exceptions Annual Plan 2011-12.”

Consultation on the draft Exceptions Annual Plan 2011-12 opens on 12 April 2011 and closes on 13 May 2011.

**DAVID HAMMOND**  
**CHIEF EXECUTIVE**

CJH : PRW