



Refreshing Consumer Affairs Victoria's Regulatory Approach and Compliance Policy

Submission by Tenants Victoria to Consumer
Affairs Victoria: September 2025

Our offices are on Wurundjeri Woi Wurrung Country. Our work gives us a special insight into the value of place and home, and we respect the Wurundjeri people's ongoing connection to Country, culture and community. We also acknowledge the connection of all First Nations peoples on whose Country Victoria is today situated. We recognise that sovereignty was never ceded and pay our respects to Elders past and present.

About Tenants Victoria

Tenants Victoria is the peak body for the state’s renters, who number almost 2 million people. Our vision is for a safe, secure and affordable home for Victorian renters in a fair housing system. For many renting is a permanent situation rather than a transition from the family home to home ownership. We believe all renters should be able to afford a home that allows them to live full lives and contribute to their communities.

Founded in the 1970s by renters, we aim to empower all renters and make sure their voices are heard in our advocacy. We work in partnership with other community legal centres and housing sector organisations, and strategically with government to inform policy development and enhance service delivery.

Our services include information, legal representation and advice, financial counselling, and outreach. We aim to make the housing system fairer in several ways. We advocate for practices and attitudes that respect renting and for policies and laws that support the rights of renters. We increase the skills of the community workers who assist renters. We provide information that encourages rental providers and real estate agents to act responsibly.

Acknowledgments

Tenants Victoria acknowledges the support of the Victorian Government.



Contact

Damien Patterson

Damien.patterson@tenantsvic.org.au



Tenants Victoria | P.O. Box 18022, Melbourne VIC 3000

ABN 36081348227 | ACN 081 348 227

tenantsvic.org.au

Safe, secure and affordable homes

Submission to CAV’s Refresh of Regulatory Approach and Compliance Policy

Summary

Effective rental regulation maximises compliance and access to adequate housing, an internationally recognised human right. Consumer Affairs Victoria’s (CAV) Regulatory Approach and Compliance Policy does not currently differentiate effectively between the various regulatory and compliance responsibilities that CAV holds. As such it does not recognise the fundamental importance of housing or the power imbalances that mean renters are less likely to take compliance action. A regulatory stewardship approach in rental regulation policy would take a ‘whole-of-system’ approach, prioritising co-ordination between the different regulatory players and making the best use of all available levers to get maximum compliance, and a safe, secure and affordable home for everyone.

CAV’s policy should recognise the importance & unique features of the rental market

Rental regulation is critical to ensure access to adequate housing, an internationally recognised human right¹. Consumer Affairs Victoria’s (CAV) Regulatory Approach and Compliance Policy (the Policy)² outlines a common approach for all its regulatory activities. It is risk-based and assumes most compliance action is taken by individuals via dispute resolution and provides: “We do not take action on behalf of individuals to obtain redress. Section 3.5 outlines the types of factors considered in establishing public interest.”³ The public interest test usually requires serious or systemic issues affecting more than one individual. In a market with many single-property rental providers which lacks system-wide data, identifying such issues is almost impossible.

¹ [OHCHR and the right to adequate housing | OHCHR](#) “The right to adequate housing is a human right recognized in international human rights law as part of the right to an adequate standard of living. The UN Committee on Economic, Social and Cultural Rights has underlined that the right to adequate housing should be seen as the right to live somewhere in security, peace and dignity”.

² [Our compliance policy - Consumer Affairs Victoria](#)

³ [Our compliance policy - Consumer Affairs Victoria](#) page 6

Fundamental power imbalances undermine strong compliance via private legal action

Victoria’s rental vacancy rate is low and rents are high. Anglicare’s Rental Affordability Snapshot 2025 found there were no properties that met the affordability criteria for singles on JobSeeker, and only five properties in the state that were affordable for a person on the Disability Support Pension.⁴ A recent report found that seven out of ten renters were worried about asking for repairs, fearing a rent increase.⁵ A Victorian research project found that only 47% of renters with repair problems took formal action through VCAT. Many simply moved house.⁶ VCAT’s 2023-24 Residential Tenancy List data reflects this reality. Renters made up 17% of applicants while rental providers or their agents made up 79%.⁷ For renters who are vulnerable or experiencing disadvantage, such as renters who are unemployed or have a disability, there are even more barriers to taking action. CAV’s policy assumes that renters can and will take action to get compliance with rental laws. This is clearly not the case.

Regulatory stewardship aims for optimal performance of the whole regulatory system

A different approach is needed for rental regulation that recognises the importance of housing as a human right, and the severely negative impact on renters’ quality of life resulting from widespread non-compliance in the rental market. It must also acknowledge the structural impediments to compliance action by individual renters.

One approach is to take a more regulatory stewardship approach in CAV’s Policy. Regulatory stewardship is defined as:

“The requirement of government departments and agencies to establish and maintain a monitoring and assessment system to ensure that regulatory regimes are, and remain, fit for purpose”.⁸

⁴ <https://cdn.anglicarevic.org.au/wp-content/uploads/2025/04/Anglicare-Victoria-2025-Rental-Affordability-Snapshot-report.pdf> page 3

⁵ [Seven in 10 renters worried about asking for repairs: report](#) by the ACOSS-UNSW Sydney-led Poverty and Inequality Partnership, National Shelter and the National Association of Renter Organisations (National Association of Renter Organisations).

⁶ [Report: Too Hot, Too Cold, Too Costly | Anika Legal](#) by Anika Legal, Consumer Policy and Research Centre and Consumer Action Law Centre. December 2024

⁷ VCAT Annual Report 2023-24 Case Data [Annual reports and strategic plan](#)

⁸ *Regulation in Australia* 2nd edition, Arie Freiberg, Federation Press 2025 page xl

It has been observed that:

“A regulatory stewardship approach means market stewardship by each regulator is considered in the context of all regulatory interventions in that market and directed towards clear objectives. And that regulatory objectives and approaches are also considered in the broader system in which the market sit... Stewardship promotes a whole-of-system consideration and an understanding of how the combination of different policy, regulatory and other levers applied by Government best interact and balance to achieve policy and regulatory objectives⁹.”

In contrast to a risk-based approach with more narrowly defined public interest considerations, a regulatory stewardship approach flexibly considers the healthy operation of the overall market. In the context of Victoria’s rental market, such a policy would encourage the regulatory steward to enforce individual instances of non-compliance, with public communication of such efforts, promoting greater compliance overall. Indeed, this approach is already somewhat underway with the Rental Standards Taskforce and could be further expanded.

Regulatory stewardship could maximise cooperation and existing compliance tools

Regulatory stewardship could apply a broader notion of ‘public interest’. It could prioritise co-ordination between all the rental regulatory players and use all the available compliance levers to maximise compliance across the whole system for the best results. For example:

Using prosecution powers to enforce compliance with private actions

If a renter gets a VCAT order against a rental provider and the rental provider does not comply, the renter has limited options to enforce compliance. VCAT itself has very limited powers, other than contempt proceedings, to enforce its own orders. The renter can return to VCAT to seek another order or take enforcement proceedings in the Magistrates Court for monetary orders or the Supreme Courts for non-monetary orders like repairs. Given the cost, complexity and power imbalances, enforcement of VCAT orders is very difficult for renters.

⁹ Keynote presentation by Simon Atkinson, Secretary Department of Infrastructure, Transport, Regional Development and Communications delivered at the ‘Regulatory Reform: supporting business investment and growth’ conference, Canberra 16 February 2022. Hosted by Department of Prime Minister and Cabinet and the ACT Institute of Public Affairs. [Regulatory Reform: supporting business investment and growth - Institute of Public Administration Australia \(ACT\) Limited | Institute of Public Administration Australia \(ACT\) Limited](#)

However, if CAV routinely used its powers to prosecute non-compliance with a VCAT order under section 480 of the Residential Tenancies Act (RTA) and recorded convictions on the Rental Non-compliance Register, this could deter non-compliance and improve overall rental standards. It may not deliver an outcome for an individual renter, but it would encourage compliance at a system level. Non-compliance with a VCAT order is likely to be easy to prove, with clear evidence of disregard for the law. It would also improve the power imbalance between the renter and a rental provider and may even encourage the rental provider to do the “right thing” to minimise any penalty imposed.

The above example shows that when the two parts of the regulatory system support each other, rather than proceeding as separate regulatory paths, compliance across the whole system could improve.

Maximising rental regulatory compliance with coordination and cooperation

One of the most challenging areas of rental compliance is rooming houses due to its complex regulatory arrangements shared between CAV and many local governments, all with different policies and procedures.

Tenants Victoria’s rooming house outreach data shows that 90% of clients have a disability and nearly all are on government income support. This particularly vulnerable and disadvantaged group will rarely have the resources or security to launch private compliance action in VCAT. The risk of homelessness is too great. An effective compliance policy must recognise that for rooming houses in particular, the heavy lifting of regulation can only be done by the state regulators and that private compliance action will not deliver safe, secure and affordable housing to vulnerable people.

While CAV and various local governments try to work together, the Policy does not give impetus or encouragement to prioritise joint enforcement that would maximise regulatory impact. A regulatory stewardship approach could see CAV and local government increase data and intelligence sharing and identify common patterns of non-compliance across different Local Government Areas, pool resources, develop joint enforcement strategies and conduct more joint or complementary inspections with integrated enforcement action.

The regulatory stewardship approach would not focus on the separate functions of each regulator, but on how to combine all the available resources and regulatory tools for maximum system-wide impact that delivers safe, secure and affordable homes.