

# Renting in Victoria

Insights from frontline community sector workers





**VCOSS is the peak body for Victoria’s social and community sector, and the state’s premier social advocacy body.**

We work towards a Victoria free from poverty and disadvantage, where every person and community is supported to thrive. We work relentlessly to prioritise wellbeing and inclusive growth to create prosperity for all.

We achieve these goals through policy development, public and private advocacy, supporting and increasing the capabilities of the state’s social service bodies, forging strong coalitions for change, and explaining the true causes and effects of disadvantage.

VCOSS’s strength comes from its members and the people they serve. Our members include frontline service groups, peak bodies, advocacy organisations and individuals passionate about a fair, sustainable and inclusive Victoria.



#### **Acknowledgement of Traditional Owners.**

VCOSS acknowledges the Traditional Owners of Country, and pays respect to Elders and Ancestors. Our office is located on the sovereign, unceded lands of the Wurundjeri people of the Kulin nation.

#### **Lived experience statement**

VCOSS thanks all those who shared with us their personal stories, experiences and insights. Every person is shaped by their history and environment. Many people have endured trauma or hardship. For some, this trauma and its effects continue today. By sharing your experiences and insights with VCOSS, you have enriched both our understanding of the issues and our recommendations for change. Thank you for your courage and generosity.

**Authorised by VCOSS CEO Juanita Pope. This report has been produced by VCOSS with support from the Victorian Property Fund. See all policy reports at [vcoss.org.au/PolicyLibrary](https://vcoss.org.au/PolicyLibrary)**



# Executive Summary

**How can it be that Victoria has some of the best protections for renters anywhere in the world, and yet renters are struggling to find an affordable rental property, and are feeling powerless, confused and insecure?**

On paper, renters in Victoria now have stronger rights than in any other state or territory.

Victoria's *Residential Tenancies Act* was amended in March 2021 to make renting fairer and safer. Renters now have more protections, including:

- Limitations around evictions.
- Rents can only increase once every 12 months.
- Specific protections for victim survivors of family violence.
- Higher standards for amenity, thermal comfort and energy efficiency.

These are immensely positive reforms that changed Victoria's renting landscape for the better.

Yet, reports from the frontline remain grim.

Support workers who assist renters – and were consulted for this analysis – report that:

- Renters are struggling to find a suitable property, particularly properties that are affordable and meet people's specific needs.
- Rental properties fail to comply with minimum standards, with mould still identified as a common concern.
- Renters who receive rent increases are forced to choose between making cutbacks on essentials to absorb the rent increases or facing the hostile open market, which often involves homelessness or settling for unsuitable housing.

These insights come from frontline social support workers who provide emergency relief, financial counselling, family violence response, homelessness prevention, disability advocacy, tenancy advocacy, legal assistance and many other forms of social assistance.

These workers are a rich source of knowledge on the rental market and how renters are faring. They are often the first to discern *systemic* issues. (See 'Methodology' on p. 22 for how VCOSS engaged and consulted workers.)

The hardship currently facing renters is staggering. Our rental regime is being tested by unforeseen circumstances. It's a perfect storm of low vacancy rates, stagnant wages and income supports, an over-cooked property market and a global cost-of-living crisis.

For example, average private rents jumped by 15.2 per cent in Melbourne and by 4.8 per cent in regional Victoria in the year to December 2023.<sup>1</sup>

At the same time, people are grappling with:

---

<sup>1</sup> Department of Families, Fairness and Housing, [Rental Report](#), accessed March 2024.

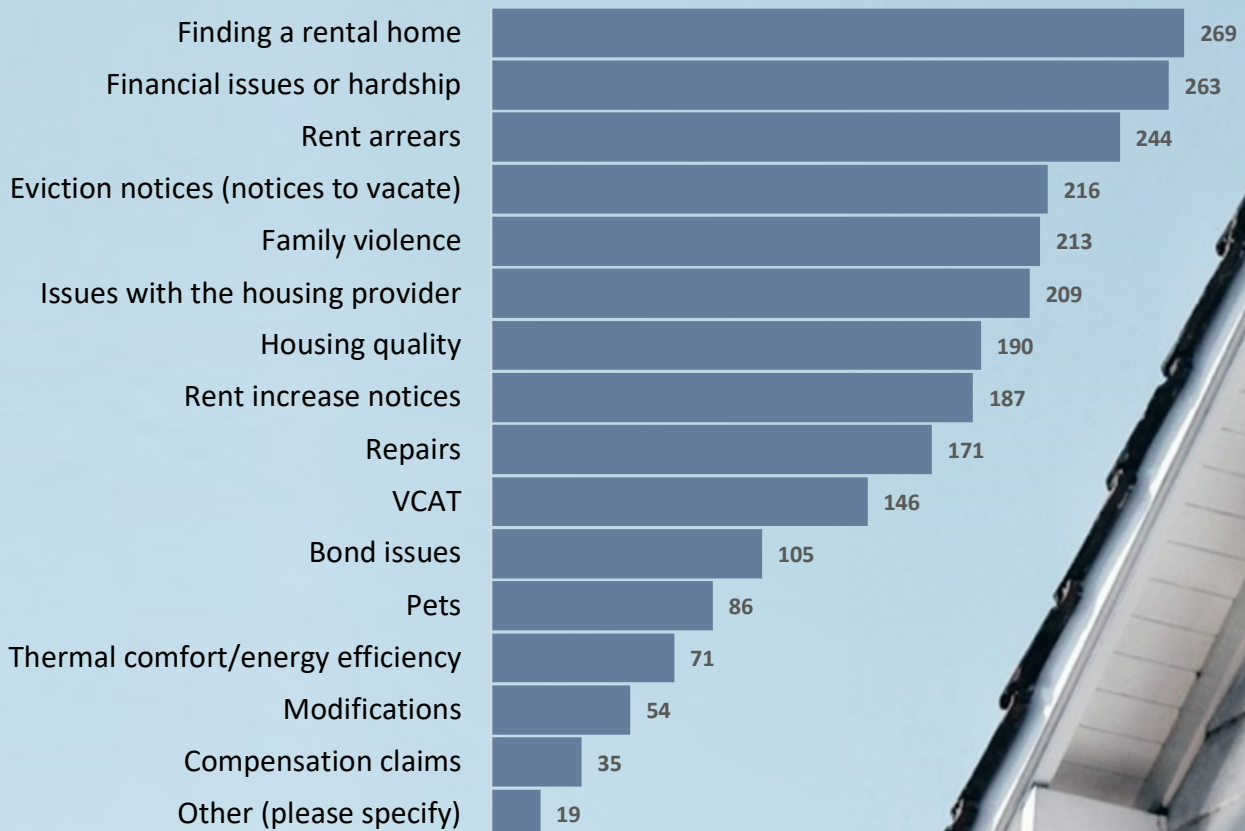


- Rising energy prices, the impacts of which can be seen in higher numbers of customers seeking additional help from their retailer and increases in the average bill arrears.<sup>2</sup>
- A 9.2 per cent increase in the cost of basic groceries over the 12 months to December 2022.<sup>3</sup>
- Routine indexation of Commonwealth Government income support payments trailing behind Consumer Price Index increases – falling well short of the real increase that is required.<sup>4</sup>

Feedback from frontline workers also confirms that renters feel they have little market power, and this limits their willingness and ability to assert their rights.

As detailed in this report, the solutions lie in **systemic change**, including better communication and enforcement of existing rights, the creation of **new rights** for the changing world, and **more supply** of public, community and private rental housing.

## Renters’ top concerns, as reported to frontline workers.



<sup>2</sup> ESC, [Victorian Energy Market Report](#) – June 2023.

<sup>3</sup> Australian Bureau of Statistics, Consumer Price Index – December Quarter 2022.

<sup>4</sup> ACOSS, [Indexation fails to deliver the real increase people need](#), 3 January 2023.

# Understanding renters' top concerns

1. It's near impossible to find a place ..... 6
2. Rents are way too expensive ..... 8
3. There are still houses in the market that are shoddy and unsafe..... 11
4. Evictions are confusing — and too common ..... 14
5. Family violence challenges persist ..... 15
6. VCAT is hard to access and navigate ..... 16

## What should be done?

VCOSS analysis and recommendations.....19

## Further reading

Appendix 1: Methodology ..... 22

Appendix 2: Survey data ..... 23

Appendix 3: Rent increases – September poll results ..... 26

Throughout this report, direct quotes from  
frontline workers supporting Victorian renters  
are presented in *italicised blue*.

# 1. It's near impossible to find a place

Workers told us it's incredibly hard to find rental properties for their clients. The majority indicated that **a lack of affordable rental properties** was the key barrier.

Workers highlighted examples where clients experienced periods of **homelessness**, because they could not secure a new rental before their current tenancy ended. (Note – rent increases as a driver of homelessness is described in more detail later in this report.)

*“I work at an Access Point, we have seen a huge increase in the amount of people [and] families coming to our service in crisis because they were not able to find a new rental before needing to vacate their current rental that they may have received a NTV [Notice to Vacate] for.”*

*“Single and family clients have opted to continue couch surfing or sleeping in tents due to losing hope in securing a private rental.”*

Workers described **intense competition**, sometimes leading to **rent bidding** (even though rental providers and estate agents are banned from *inviting* rental bids or *soliciting offers* of rent higher than the advertised price), and renters **applying for an excessive numbers of properties** in an attempt to secure housing.

*“Tenants struggling to find rental due to other applicants offering advance payments and higher rental rates.”*

*“Consumers frequently reporting applying for 60 plus properties with no success and then running out of time at their current properties and becoming homeless.”*

*“Applying for excessive numbers of properties – over 25.”*

Workers noted that, in these conditions, renters are forced to accept **poor quality or unsuitable housing** or **move away from their community** in order to gain housing.

*“Quality of homes people are forced to apply for/accept is also reduced by the increased cost (landlords being able to charge higher rental amounts for properties with un-addressed maintenance issues, mould, etc.)”*

*“The work and social disruption of having to move to other towns to find cheaper rent [is significant].”*

Workers indicated that **difficulties securing rental housing** are more pronounced for certain groups, including:

- Renters on low incomes and renters who receive Centrelink income. Workers noted additional barriers for those who use Centrepay, the government-owned payment platform, to manage rent payments.
- People with pets.
- Young people with no rental history or who are earning low incomes.
- Newly arrived migrants.

- Victim survivors of family violence.
- Single parent families.
- People with disabilities, particularly those on the Disability Support Pension.

*“Individuals being unable to find private rental, likely due to having a pet but rejected for alternative reason (initially informed to be approved, but after disclosure of having pet - application was rejected).”*

*“Pets [are] also an issue - while everyone knows pets can't be declined, clients with pets find they are often not considered for housing over those who say they don't have pets when applying.”*

*“For young people under 25 it has become near impossible to enter the rental market due to the current rise in rents.”*

*“People in a domestic violence situation [are] forced to remain living with the perpetrator.”*

Workers reflected that these barriers are compounded for people with **intersecting challenges**. For example, renters on low incomes who require disability or family violence modifications to a property.

Even if renters in this position are aware of modification rights, they may not feel safe or confident to assert them, or know how to access advocacy and funding support for modifications.

This is discussed in more detail in later sections of this report.

## 2. Rents are way too expensive

Workers told us that **rental costs** are putting severe pressure on their clients.

While the 2021 reforms introduced a limit on *how often* rents can be increased, there is no limit to *how much* rents can be increased by.

Renters can ask Consumer Affairs Victoria for a rent assessment if they believe an increase is higher than the market range and use this information to challenge or negotiate a rent increase. In reality, however, market conditions are eroding renters' power to push back.

We asked workers a specific question about the impacts of rent increases. The most common responses were about **rental stress**.

In Australia, a household is considered to be in rental stress if rent constitutes more than 30 per cent of the household's gross income.

Survey respondents told us they frequently see renters in **extreme rental stress**:

*"In general, clients that we support pay up to over 80% of their income on securing a rental otherwise facing homelessness. I [have] only worked with very small percentage clients in the last two years [where] rent is less than 50% of their income."*

*"Many clients are paying well over the 50% of their income on rent."*

Workers told us renters faced with financial hardship often **go without other essentials** – such as food, healthcare or heating:

*"Even small and 'reasonable' increases in this economic climate present clients with huge challenges. Families are choosing between rent and food."*

*"People are spending sometimes their entire income on rent, especially those on Centrelink that are on social housing waitlists."*

*"Many cut back children's items, food, health and dental care, clothing and cannot afford to own or maintain a vehicle."*

We were given many examples of renters having to rely on **emergency relief and other support** services to cover costs such as petrol and food vouchers:

*"We are hearing from many single mother families seeking assistance with emergency relief for food. When you dig deeper into the reason why, they often say their rent has increased. Many are wearing the increase as they require stability for their children, particularly those at school or engaged with local support services."*



For many, even this level of personal sacrifice and emergency support is not enough to save them from having to exit tenancies. Workers say current market conditions make it extremely difficult for this cohort to secure new housing.

Some **leave their communities to find housing they can afford.**

*“The lack of affordable housing impacts 80% of my clients, they struggle to find a home they can afford and is appropriate for them and their children. Often they have to make difficult decisions like moving their children away from their schools and friends to afford housing, which then negatively impacts their wellbeing and sense of community.”*

Other impacts include **mental ill-health, renters being forced into unsuitable living situations like overcrowded share houses, and many being forced into homelessness** (see Appendix 2 for additional data on homelessness following rent increases).

*“We are seeing an increasing number of senior renters who have previously been able to cope maintaining their rentals, but who have used up any savings and now face eviction for sale of property, and can no longer afford rents that have drastically increased since they last needed to secure housing.”*

Workers say this tough market creates the conditions for renters to have their rights trampled.

They gave us a range of examples of **bad faith conduct by property managers:**

*“Real estate [agents] almost never provide a rental increase in the right letter and wording.”*

*“One of my elderly clients who lives alone is receiving annual increases of approx \$100 per month. On inquiry to the agent, she was told not to complain as she received an increase in her pension recently.”*

*“Lack of housing stock has seen demand increase and landlords have taken advantage. I.e. 3 bed 2 bath house in Shepparton rented at \$370pw increased to \$450pw when re-tenanted.”*

Many respondents noted **rent increases (actual and prospective) prevented renters from asserting their rights**, particularly the right to repairs:

*“People not raising issues with property manager/rental provider fearing they will get them offside and incur retribution – even where repairs are urgent and create legitimate safety concerns”*

Workers shared their views on ways to address the impact of rent increases.

Of 155 responses to this survey question, 105 called for some form of additional rent regulation. This included:

- Using CPI to calculate rent increase amounts.
- Establishing measures that take into account factors such as renters' income or the condition of the property.
- Extending the existing protection on how often rents can be increased by to include a limit on **how much** rents can be increased by, especially for longer-term tenancies.

Workers also noted that the impact of rent increases would be eased by:

- Increasing the rate of Commonwealth income support.
- Changes to the tax system as it relates to investment property owners.
- Increasing housing supply.

### 3. There are still houses in the market that are shoddy and unsafe

Many workers highlighted concerns about housing quality in the rental market.

Their responses make it clear that the current **market conditions** are contributing to this issue.

One of the major changes introduced in March 2021 was rental minimum standards. Rental properties in Victoria must now meet minimum standards before a renter moves in. Where a property does *not* meet minimum standards, renters have a right to exercise options such as terminating the lease or requesting urgent repairs.

Consumer Affairs Victoria has identified rental minimum standards as a compliance risk and is currently monitoring operation of this regime. In light of this, VCOSS asked workers specific questions about housing quality and the operational reality of minimum standards, to identify emerging themes and issues.

The most common unresolved problem that emerged was **mould**:

*“People living with mould too fearful of telling real estate [agents] due to fear of being evicted. Having to replace clothes, linen, furniture, purchase humidifiers.”*

Workers described issues including:

- Persistent mould requiring renters to conduct daily cleaning/removal.
- Property managers blaming renters for mould issues without assessment/evidence.
- Some renters knowingly leasing/maintaining tenancies in mould-infested properties due to no other housing options and to prevent homelessness.
- Renters not seeking remedy for mould issues for fear of negative consequences and retaliatory action.

Workers told us that renters sometimes note mould when attending inspections, indicating that properties aren't meeting this minimum standard before being let.

Where renters have problems with housing quality during a tenancy, workers told us of significant **barriers to reporting issues**.

The most frequently highlighted barrier was fear of retaliatory action, such as rent increases or Notices to Vacate.

Responses also highlighted renters' *acceptance of or resignation to* poor housing quality and non-compliance with minimum standards, in a market where no other housing options are available to them:

*“Renters don't report issues because they fear repercussions and live with mould, poor insulation, and draughts.”*

*“A participant with a newborn received a \$1200 energy bill because a leak in the central heating wasn’t effectively heating the home, and the landlord refused to fix or offer funds to cover the unaffordable bill.”*

*“[The] housing crisis [is] forcing individuals to move into unsuitable or unsafe housing (e.g. black mould, damages, houses in poor conditions and disrepair) or to face homelessness.”*

Where renters *have* identified issues with housing quality/non-compliance with minimum standards, they face **problems resolving these issues with the rental provider and/or their agents**. Many examples provided to VCOSS by community sector workers involved rental providers being aware of issues but not addressing them:

*“... [their] real estate agents repeatedly delay and ignore requests, and then tenants are issued with a Notice to Vacate.”*

Other issues workers cited included rental housing in **general disrepair**:

*“Houses with no heating, literally falling down around people.”*

*“Smells in carpets - low rent properties especially can have pet urine smells or other smells that can’t be removed, this doesn’t seem to be rectified due to taking advantage of the lack of housing.”*

*“A deck that had missing wooden slats.”*

Lack of or **inadequate heating and cooling** was frequently raised (noting that there is currently no rental minimum standard for cooling in Victoria).

*“Many homes still do not have functioning heating and/or cooling. Many clients need to purchase heaters which are more costly than in-built heating and cooling systems.”*

**Safety and security** were also commonly highlighted issues:

*“Landlords not having any idea about safety standards, meter boxes not upgraded, smoke detectors not tested, gas and electrical tests not completed.”*

*“The property’s electrical was unsafe, causing the client’s fridge to break down and half the house to short circuit, before the client’s son was shocked when using a power point.”*

*“Women struggling to have basic safety measures on their home improved. This would include windows in the property requiring repairs so they could be secured and then facing difficulties in having this occur promptly.”*

Workers shared their views on how to improve the operation of rental minimum standards, including:

- Establishing an external audit/registration process to ensure rental properties comply with minimum standards before they are let, and to remove the onus from renters to identify non-compliance.
- Strengthening accountability by establishing enforcement mechanisms for non-compliance, for example fines or penalties.
- Introducing additional minimum standards, including cooling, ceiling insulation, double glazing for windows.
- Strengthening the repairs regime by stipulating timeframes in which repairs must be conducted.
- Establishing a standalone process to identify and provide repairs for mould.

Workers also noted that market power imbalances need to be addressed so renters can report issues, assert their rights and benefit from minimum standards. They told us that establishing processes which removed the onus from renters – such as external auditing and rules around repairs – would assist with this.

*“Whilst there is a shortage of housing and so many homeless, the landlord has all the power. Statement made to me 'If the renter doesn't like what is happening, they can leave!'”*



## 4. Evictions are confusing – and too common

Workers reported a range of issues related to Notices to Vacate and/or evictions.

The scenario they highlighted most frequently involved **rent increases leading to arrears and Notices to Vacate**. In many circumstances, renters were not aware of options to prevent an eviction.

Some workers told us of renters being evicted because of renovations, with properties then returned to the market a short time later at a substantially higher rate.

Respondents also reported cases where the rental provider did not provide the appropriate notice period, with some renters unable or unwilling to challenge the notice and prevent an eviction.

There were 16 responses to our survey describing extreme scenarios where renters ended up experiencing homelessness. Many of these involved renters being unable to secure new housing before their tenancy ended, and the conditions of the private rental market both causing and prolonging these periods of homelessness. Workers described temporary housing arrangements such as families living in caravan parks, families splitting and couch surfing, and people being forced into extended stays in crisis and motel accommodation.

*“I had one family whose payments had continued going up to the point where they had to move in with their maternal parents, with 2 kids of their own. Suddenly the house became tense, family violence increased, housing broke down, [Child Protection] involved.”*

*“People are unable to afford rental properties and are sleeping rough, or couch surfing. People who previously had no experience of homelessness are now struggling to get by.”*

Other scenarios described by workers highlighted:

- Rental provider and property manager conduct, with respondents describing examples of “dismissive”, “bullying”, “threatening” and “coercive” conduct. Some responses described owners entering the property without consent.
- Problems with bonds, including delays in bonds being returned, and stigma associated with using DFFH bond loans.

## 5. Family violence challenges persist

Issues related to family violence emerged as a common theme, including:

- Some workers describing challenges to get safety and security modifications approved.
- Victim survivors being left with debts and other liabilities (e.g. damages) incurred by the person using violence. Workers further reported that some victim survivors faced difficulties resolving these issues due to property manager conduct or barriers to accessing VCAT.
- Victim survivors facing challenges to secure new accommodation when leaving family violence situations, with many remaining in the unsafe situation to prevent homelessness.
- Victim survivors who do leave facing challenges in securing new rental accommodation, due to unaffordable rental costs, lack of rental history, and barriers arising from stigma and discrimination.
- Victim survivors facing difficulties understanding their rights and navigating VCAT, with some renters choosing not to access VCAT for this reason.
- A lack of awareness amongst property managers (and, in some cases, rental providers) of the family violence provisions in the RTA.

*“We have also had various issues with rental affordability and many victim survivors choosing to remain in unsafe relationships or in unsafe housing situations as they are unable to find other rental options or they would be making themselves and their children homeless as housing services do not have options for women with children.”*

*“[Rental provider] and real estate agent advising they are unaware of how renters can remove the name of the person using violence from the lease and being unsupportive [in these circumstances].”*

## 6. VCAT is hard to access and navigate

The Victorian Civil and Administrative Tribunal (VCAT) is currently the key body providing independent dispute resolution for issues that emerge in residential tenancies.

However, insights from VCOSS member engagement indicate that VCAT can be an inaccessible avenue for many renters, who face barriers including wait times, delays and the complexity of navigating the process. This is supported by VCAT's own data, which indicates more than 22,000 matters awaiting hearing in the 2022–23 financial year.

VCOSS notes that a new independent body, Rental Dispute Resolution Victoria, has been announced as part of the Victorian Government's Housing Statement. This body will provide an additional pathway to settle disputes in a faster, fairer and cheaper way, freeing up VCAT for more serious or complicated matters.

In this context, we asked workers to share examples of renters' experiences with VCAT, and received 110 responses. These experiences can help government understand the barriers renters face to effective dispute resolution and the improvements required at VCAT, as well as providing insights to inform the design of the new Rental Dispute Resolution Victoria.

Some workers shared examples of renters having **positive experiences with VCAT**. In particular, workers noted the crucial protection VCAT can provide in preventing evictions and making orders that allow for tenancies to be sustained.

However, the most common theme that emerged was renters struggling with **lack of understanding and confidence in accessing and navigating VCAT**. Responses highlighted issues that arise from systemic failures, such as:

- Renters not understanding processes:
  - lack of understanding of renters' rights
  - the application process being confusing and daunting
  - renters experiencing confusion re adjournments and delays in decision making.
- Renters being intimidated at the prospect of attending VCAT, for reasons including:
  - rental provider or real estate agent having more knowledge and power than renters
  - renters perceiving VCAT as a court/bureaucratic process.
- A lack of support to navigate and access VCAT, including:
  - support to understand the process
  - support with administration and evidence – for example, form filling.
- Unwillingness to attend VCAT fearing retaliation, such as being “blacklisted” or evicted.

*“A lot of clients won't attend VCAT because they think it's a waste of time”*

*“Many people don't even go to VCAT due to the threats of eviction. Even saying you will report to VCAT is a risk to the security of livelihood, but how else are you to get anything fixed?”*

A number of responses highlighted the **impact of wait times and delays** on renters, including:

- Delays in hearing bond matters, leaving renters with no means to provide a bond on a new tenancy and/or in financial hardship.
- Delays in hearing repairs matters, leaving renters with housing quality issues such as mould and no heating.

Workers noted a number of examples of **issues with VCAT members**, including inconsistent decision-making and renters experiencing poor treatment from members:

*“We have seen newer VCAT members make decisions which are inconsistent with established case law. These decisions often go unchallenged due to lack of resources or renter willingness to appeal to the Supreme Court.”*

*“Renters have also sometimes encountered dismissive or hostile VCAT members that do not allow the renter to speak.”*

*“Some VCAT members seem to be in favour of the landlord and not as understanding of the renter.”*

Other responses pointed to:

- Limited resourcing for support to access VCAT, both provided by VCAT and by community-based organisations.
- Experiences with perceived or real retaliatory claims.
- Orders not being followed.

Workers expressed their views on how VCAT service delivery could be improved. The most frequently proposed solutions were to address delays by providing more resources and to establish timeframes within which matters should be heard.

Other responses suggested that renters should be provided with more information/education about the VCAT process, how to access and navigate VCAT and what supports are available.

Workers also noted specific areas where resources should be increased, including:

- The application help line.
- More in-person support in additional locations.
- Additional VCAT members.

Other responses called for:

- Better access to early resolution pathways.
- Establishing enforcement mechanisms to ensure compliance with orders.
- Making forms more accessible.
- Better training of members to improve their engagement with renters.
- More resources for both in-person and face-to-face hearings.
- Targeted measures to improve responses to matters involving family violence.

# VCOSS analysis and recommendations

Responses to this survey provide real-time, on-the-ground insights into how renters are faring and into the operation of the Fairer, Safer Housing reforms to the RTA. Data insights come from community sector workers who provide direct or indirect support to renters. As such, these insights particularly relate to renters on low incomes and/or experiencing other forms of disadvantage, who have the most to gain from the RTA reforms but struggle to realise their rights.

With the rental vacancy rate remaining low at around 1 per cent, and average rents increasing by 14 per cent over the last 12 months, it is not surprising that the key issue facing this cohort of renters in 2023 was finding an affordable place to live.

They were forced to choose between absorbing rent increases and making cutbacks on other essentials, or exiting their tenancy. For many of these renters, facing the open rental market meant applying for multiple properties, settling for unsuitable housing or housing away from employment, education, support and community networks, or experiencing periods of homelessness.

A key policy objective of the Fairer, Safer Housing reforms was to *“rebalance the market through additional protections for a highly diverse population of renters.”*<sup>5</sup>

When the legislation was introduced, it was rightly lauded as providing Victorian renters with more rights than any other jurisdiction in Australia. However, realising these rights relies on renters being empowered with:

- Knowledge of their rights.
- Capacity to identify when there is an issue or non-compliance with the RTA.
- The confidence to raise issues and engage in self-advocacy or dispute resolution with their rental provider.

Responses to the VCOSS survey indicate that, in 2023, this was not the reality for renters on low incomes or experiencing other forms of disadvantage. Many of these renters did not benefit from their new rights, either because of limited accountability mechanisms for rental providers or because renters feared negative consequences if they asserted their rights.

Survey responses highlighted continued, and indeed worsening, power imbalances, with market conditions limiting renters' confidence and ability to assert their rights.

Survey data also highlighted that these issues were worse for renters with multiple, intersecting challenges – for example, young renters on youth wages and/or no prior rental history, victim survivors of family violence and newly arrived migrants.

---

<sup>5</sup> Victorian Parliamentary Debates (Hansard), 24/9/2018.

[https://hansard.parliament.vic.gov.au/images/stories/daily-hansard/Council\\_2018/Council\\_Daily\\_Extract\\_Friday\\_24\\_August\\_2018\\_from\\_Book\\_12.pdf#page=34](https://hansard.parliament.vic.gov.au/images/stories/daily-hansard/Council_2018/Council_Daily_Extract_Friday_24_August_2018_from_Book_12.pdf#page=34)



Community sector workers identified opportunities to refine existing regulations to help ease the pressure and reduce the burden on renters to proactively assert their rights in the market.

Recommendations to the Victorian Government are provided on the following pages.

However, further rental market regulation can only go so far to address these issues.

Government should also progress other housing market interventions, including:

- Increasing the supply of social housing – public and community housing tenancies offer affordability and security for renters on low incomes and with other intersecting challenges, which the private rental market cannot offer. Increasing social housing will benefit this group and also reduce competition for existing private market supply, easing the pressure for other renters.
- Bolstering resources for services that support renters to understand and assert their rights, sustain tenancies and prevent homelessness.

# Recommendations to the Victorian Government

## 1. Improve how the current laws operate

1. Monitor progress of the Victorian Law Reform Commission’s consultation “Residential Rental Agreements and **Family Violence**” and make further changes to the RTA as necessary.
2. Establish a formula **for fair rent increases**.
3. Impose a proactive duty on a rental provider to demonstrate that a rent increase is fair and reasonable, rather than putting the onus on the renter to initiate an appeal.
4. Invest in the proactive, sustained promotion of **renters’ rights** related to rent increases.
5. **Expand rental minimum standards** with additional provisions for cooling, insulation, draughtproofing and hot water systems, incorporating requirements imposed by other government policy objectives, such as the *Gas Substitution Roadmap Update 2023*.
6. Explore establishing a specific repairs process for **mould**.

## 2. Strengthen monitoring, enforcement and dispute resolution<sup>6</sup>

1. Increase Consumer Affairs Victoria **monitoring, enforcement and frontline dispute resolution capacity**, including resources to bolster the Rent Assessment Service, which helps people challenge unfair rent increases.<sup>7</sup>
2. Explore **establishment of a third-party assessment/audit regime** to support compliance with minimum standards.  
(This approach would establish a system where rental providers would be required to engage a third-party provider (through CAV) to undertake an assessment and provide a certification that a property meets rental minimum standards. If there are any compliance issues, rental providers would have to carry out repairs before the property can be leased. This would remove the onus from renters and ensure that properties meet minimum standards.)
3. **Boost resources for VCAT** to provide timely dispute resolution, and establish a new internal appeals mechanism that improves the consistency of decision-making.

---

<sup>6</sup> As noted earlier in this report, the Victorian Government has made a commitment to establish a new Victorian Dispute Resolution Body. The measures recommended here by frontline community workers are to strengthen existing parts of the system.

<sup>7</sup> Since this survey was conducted, the Victorian Government has announced a renting taskforce will be embedded within Consumer Affairs Victoria. VCOSS welcomes the commitment by government that the taskforce will be resourced through the employment of extra analysts, inspectors, investigators and lawyers.

### 3. Broader housing market interventions

1. **Expand existing renter support services**, including the Private Rental Access Program, Tenancy Advocacy and Assistance Program, Tenancy Plus and community legal assistance.
2. **Build at least 6,000 new public and community homes every year** for 10 years, with all homes fully accessible for people with disabilities, and with 10 per cent of new homes reserved for Aboriginal Victorians.
3. **Improve housing outcomes for people with disabilities** by:
  - Monitoring Commonwealth progress on reforms recommended by the Disability Royal Commission and the NDIS review, and implementing actions that are within the State's remit.
  - Monitoring the impact of changes to the definition of Specialist Disability Accommodation in the RTA.

# Appendix 1: Methodology

This report provides insights from frontline community sector workers on renters' experiences in Victoria. It is the second annual 'Renting in Victoria' report conducted by VCOSS.

Insights were elicited from a survey distributed to a sample of around 1,000 community sector workers who support renters. This year's survey generated 357 responses from workers across 13 different parts of the community sector. Two-thirds of respondents also shared de-identified case study examples of renters' experiences.

VCOSS distributed the survey in the final quarter of the calendar year, as a 'year in review' exercise.

The findings reported in this year's report are based on data collected in November and December 2023, and augmented by snap poll data collected during an online VCOSS event in September 2023. The snap poll was completed by 182 people and asked three questions to help VCOSS understand the scale of rent increases and the impact on renters.

Data analysis was completed in January 2024 after the survey closed.

# Appendix 2: Survey data

## Renters' experiences – general

Please share any de-identified examples of renters' experiences you have (please be as brief or as detailed as you like) (Total 211 responses)

- Rental costs (n 58)
- Housing quality (n 31) + repairs (n 20)
- Family violence (n 34)
- Notices to Vacate and evictions (n 17)
- Homelessness (n 16)
- Stigma and discrimination (n 15)
- Issues in social housing (n 11)
- Rental provider/property manager conduct (n 10)
- Bonds (n 2)
- Particular issues facing key groups (n 36)

In your experience, are there ways that government could improve implementation of Victoria's renting laws? (Total 185 responses)

- Further limits to rent increases (n 50)
- Rental provider accountability mechanisms (n 33)
- Increasing supply (n 25)
- Improvements to VCAT (n 13)
- Housing quality/accessibility (n 8) repairs (n 5)
- Educating renters (n 7) and rental providers (n 5)
- Further improvements on secure leases (n 9)
- Increase access to support services (n 8)
- Targeted access to housing (n 7)
- Further improvements to family violence provisions (n 6)
- Addressing the power imbalance (n 6)
- Improve the repairs regime (n 5)
- Reforms to income support (n 4)

In your experience, are there other issues that government should prioritise for reform to make renting fairer and safer? (Total 186 responses)

- Increase social housing supply (n 44) and rental housing in general (n 18)
- Further regulation of rent increases (n 39)
- Improve monitoring and enforcement (n 21)
- Improve housing quality (n 10)
- Family violence specific support (n 7)
- Particular issues facing key groups (n 14)



## Renters' experiences of housing quality and minimum standards

Please share any de-identified examples of renters' experiences you have (please be as brief or as detailed as you like) (Total 152 responses)

- Mould (n 31)
- Barriers to reporting issues (n 25)
- Rental provider responses (n 23)
- General disrepair (n 18)
- Heating (n 13)
- Cooling (n 10)
- Safety/security issues (n 10)

In your experience, are there any changes that need to be made to ensure that properties are meeting minimum standards? (Total 159 responses)

- External audit/registration process (n 43)
- Accountability/enforcement mechanisms (n 40)
- Strengthen rental minimum standards (n 20)
- Address renter/rental provider power imbalance (11)
- Strengthen repairs regime (n 8)
- Mould-specific measures (n 7)

## Renters' experiences of rent increases

Please share any de-identified examples of renters' experiences you have (please be as brief or as detailed as you like) (Total 131 responses)

- Rental stress (n 24)
- Personal cutbacks (n 18)
- Emergency relief (n 10) and other support services (n 4)
- Priced out of housing (n 10)
- Homelessness (n 9)
- RRP misconduct (n 9) and retaliatory action (n 4)
- Mental health impacts (n 7)
- Forced share housing (n 5)

In your experience, are any changes needed to make rent increases fairer? (Total 155 responses)

- Rent regulation (n 105)
- Changes to income support (n 8)
- Tax reform (n 5)
- Increase supply (n 3)
- Incentives for RRP (n 1)
- Renter education (n 1)

## Renters' experiences at VCAT

Please share any de-identified examples of renters' experiences with VCAT you have (please be as brief or as detailed as you like) (Total 110 responses)

- Lack of understanding/confidence (n 21)
- Positive VCAT experience (n 18)
- Wait times (n 17)
- Issues with members (n 9)
- Lack of support to access VCAT (n 5)

In your experience, are there any changes that need to be made to ensure renters can access dispute resolution at VCAT? (Total 100 responses)

- Improve service delivery (n 15)
- Education (n 11)
- Increase resources (n 9)
- Early resolution (n 4)
- Enforcement mechanism (3)
- Improve forms (n 1)
- Improve member conduct (n 2)
- More in person hearings (n 3)

# Appendix 2: Rent increases – September poll results

## Background

VCOSS undertook a real time poll of frontline workers attending a VCOSS Renters Rights Rundown webinar, to understand the scale of rent increases and the impact on renters. The poll comprised three questions:

1. Have you assisted a client with a rent increase this year?
2. What scale of rent increases are your clients commonly facing?
3. What are the outcomes you've observed?

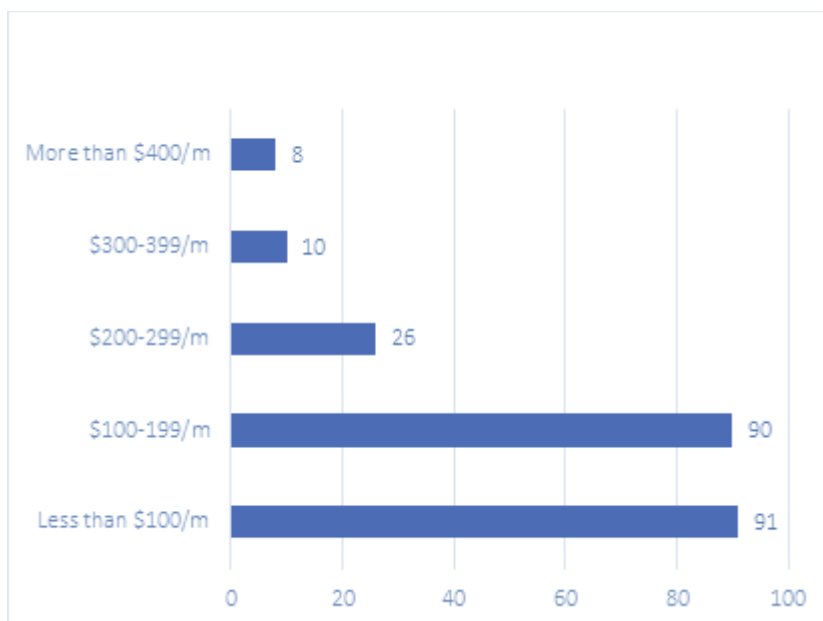
## Results

VCOSS received 182 responses to this poll.

Of the respondents, 85 per cent had assisted a client with a rent increase in the past year (n 155).

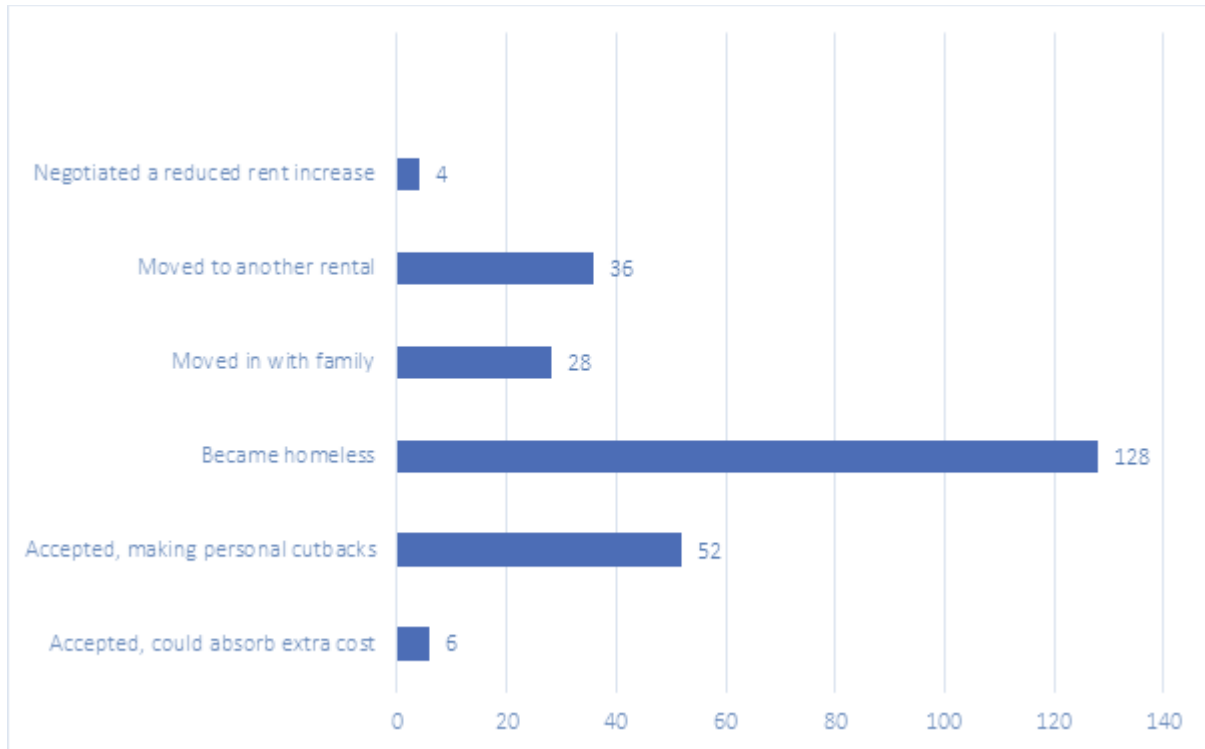
The below table shows the size of rent increase witnessed by workers.

Figure 1: Responses to "What scale of rent increases are your clients commonly facing?"



The most common impacts for clients who had received a rent increase were “became homeless” (n 128) followed by “accepted, making personal cutbacks” (n 52).

Figure 2: Responses to “What are the outcomes you've observed?”



### Analysis

The high number of people who became homeless after receiving a rent increase is a major concern.

Specialist homelessness services’ data consistently shows that if people at risk of homelessness receive support – for example, help to negotiate a rent reduction or brokerage to assist with costs – homelessness can be prevented, whereas it is far more difficult to access housing once people become homeless. Responses to VCROSS’ Renting in Victoria workforce survey include many reports of people applying for multiple rental properties without success, prolonging periods of homelessness.

The findings from this snap poll of frontline workers are consistent with qualitative feedback VCROSS is receiving via policy consultations with sector leaders and community listening tours, about people making personal cutbacks to afford housing costs. VCROSS members from all parts of the community services sector report clients cutting spending on other essential goods and services – such as meals, prescription medicines, healthcare or education – which impacts their wellbeing.

This data indicates a need to strengthen protections for renters against excessive rent increases.

There is also a need for government to increase its investment in programs and services that enable workers to intervene early in tenancy issues and prevent homelessness, including the Tenancy Assistance and Advocacy Program (TAAP). VCOSS notes that this program is only funded to provide limited support, despite ever-increasing demand.

The Housing Statement will provide additional capacity in the system, via the \$2 million Rental Stress Support Package. Given the level of need, there is likely to be a strong case to provide longer-term investment in these additional supports.

