

Annual Report 2022–23

This page has been left intentionally blank

Contents

Letter to the Minister	4
Director's foreword	5
About us	7
Our values	7
Our vision	7
Our outcomes	7
Our functions	7
Our regulatory approach	7
Machinery of Government changes	8
2023–26 Strategic Plan	9
Regulatory priorities 2023–24	9
Our performance	10
Our achievements	12
Businesses comply with consumer laws	12
Victorians exercise their consumer rights	20
A fair and safe rental market	23
Other	29
Financial information 2022–23	32
Regulations made, commenced, revoked in 2022–23	34
Regulations made	34
Regulations commenced	34
Regulations revoked	34
Legislation administered by CAV as at 30 June 2023	35

Letter to the Minister



The Hon Gabrielle Williams MP
Minister for Consumer Affairs

Dear Minister,

In accordance with the *Australian Consumer Law and Fair Trading Act 2012*, the *Credit (Administration) Act 1984* and the *Veterans Act 2005*, I am pleased to present the Consumer Affairs Victoria Annual Report for the year ending 30 June 2023.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Nicole Rich', enclosed in a thin black rectangular border.

Nicole Rich

Executive Director, Regulatory Services &
Director, Consumer Affairs Victoria

Director's foreword

In 2022–23, Consumer Affairs Victoria focused on supporting Victorians through a year of significant economic pressures.

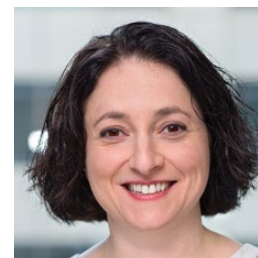
Victorians grappled with limited rental supply and rising rental costs. CAV provided important support in key areas, undertaking a record number of excessive rent reviews in cases where renters felt that rental increases were unreasonable. We also funded state-wide, place-based renter assistance and financial counselling services to support Victorians in need.

Rooming houses are often the last resort for some of the most vulnerable Victorians, and CAV is committed to their effective regulation. In 2023 the department developed new regulations to make rooming houses safer and more comfortable, and CAV actively monitors the rooming house sector for regulation compliance.

Many Victorians were impacted by the collapse of domestic home builders in 2022–23 and needed support to navigate consumer processes at a time when they were under significant stress. In response CAV undertook activities to inform consumers about their rights and where to go with any questions. Information was provided via CAV's Building Information phone line, dedicated website content and social media. CAV also worked closely with other agencies such as the Victorian Building Authority, including issuing a joint communication to builders about their obligations under Victorian building legislation, and we continue to assess the situation for any regulatory concerns.

The October 2022 floods impacted many Victorian families in 2022–23 and CAV responded with several important supports. We established a dedicated floods phone hotline and updated the CAV website to provide clear information on rights and CAV's relief services available. A large number of our frontline staff were also seconded to assist other government agencies get immediate emergency assistance to impacted Victorians.

We also administered additional financial counselling services, supporting clients to negotiate with banks and insurance agencies, and to access grants. Tenancy Stress Victoria was also established to provide affected renters with access to integrated legal, social work and financial counselling support.



In September 2022 the Victorian Government announced a new underquoting taskforce to be embedded within CAV. As we have scaled up the taskforce's resources and activities, it has taken a zero-tolerance approach to agents failing to comply with their obligations. By the end of June 2023 we had reviewed 375 sales files to identify instances of non-compliance and issued 48 infringements (totalling more than \$520,000) and 37 official warnings, using targeted activities based on market intelligence. The taskforce will continue its work to increase education and enforce compliance with Victoria's laws outlawing underquoting in 2023–24, to ensure Victorians don't waste time and money when looking to buy a home.

In early 2023, CAV joined the newly formed Department of Government Services (DGS) as part of the Government's machinery of government changes. DGS was established to improve how Victorians and businesses engage with government, bringing important day-to-day services together in one department. The department is doing this by connecting and digitising systems and platforms across state and local government as well as streamlining corporate and procurement services.

Consistent with this mission, we have increasingly leveraged digital technologies to make it easier and quicker for Victorians to access information and for businesses to comply with obligations. The myCAV portal was expanded to include motor car traders and second-hand dealers

and pawnbrokers. In a first for licensing applicants using myCAV, engineers can use Service Victoria's online identity verification service to streamline the registration process and reduce the administrative burden for them. We continued to integrate this service into more myCAV transactions in 2022–23, to make it easier for other users to provide and verify their identity online.

We also delivered digital upgrades to the CAV website. The website is a vital resource that helps consumers access information and services and understand their rights. It also supports business to understand their obligations. This year we undertook a significant content uplift and restructuring of the website navigation. The project is delivering an increasingly human-centric site with content that is easier to find and understand. We will continue to improve content and publish navigation upgrades during the coming year.

At the end of 2022–2023 we successfully acquitted the Statement of Expectations we received from the Minister in 2021. As directed by the Minister, we supported Victorian economic and social recovery, improved the timeliness of our services, leveraged risk-based strategies to target key compliance issues and consistently provided valuable compliance related assistance and advice. A new Statement of Expectations was received from our Minister in 2023 and has been integrated into our annual planning process.

In 2022–23, extensive consultation helped us to craft a new Strategic Plan. The Plan articulates our vision for a fair and safe marketplace in Victoria, confirms the outcomes we are working to achieve, and defines where we will focus our efforts to achieve these outcomes. We will be publishing this plan in early 2023–24.

We also finalised new annual regulatory priorities for 2023–24, which reflect CAV's intelligence on emerging marketplace risks, government priorities and stakeholder feedback. Some regulatory priorities will help protect Victorians from rising cost of living pressures. These include enforcing rooming house and rental provider compliance

with minimum standards and addressing prohibited debt collection practices. The regulatory priorities will also help direct our resources to address key risks facing the Victorian community, which include estate agent underquoting, poor motor car trading practices and product safety concerns affecting children.

We look forward to leveraging our new Plan and regulatory priorities to communicate our priorities to the community and direct our resources to bringing the greatest possible benefit to Victorian consumers, renters, business and the community.

I would like to thank our former Ministers; the Hon Melissa Horne MP for her support over a number of years (including for some of this reporting period) and her strong commitment to providing assistance to consumers and renters experiencing hardship; and the Hon Danny Pearson MP, for his support of our work at CAV, especially during a time of transition and change as we joined DGS. We are looking forward to working with our new Minister, the Hon Gabrielle Williams MP over the year ahead.

I would also like to acknowledge and thank our colleagues in funded agencies working hard every day to provide advice, support and advocacy to vulnerable Victorians. I thank as well our partners across government and regulators. Their support and collaboration is crucial to our ability to achieve outcomes for the community. Our staff have shown a strong commitment to providing help and achieving positive outcomes for the Victorian community over a year of pressures and change and I'd like to recognise and thank them again for their efforts.

We look forward to leveraging our new Plan, new regulatory priorities, and upgraded digital and intelligence capabilities in the coming year to support Victorians and achieve our vision of a fair, safe and competitive marketplace for all.

Nicole Rich

Executive Director, Regulatory Services & Director, Consumer Affairs Victoria

About us

We are Victoria's consumer marketplace regulator. We are part of the Customer and Regulatory Services group of the Department of Government Services.

Our values

At Consumer Affairs Victoria (CAV), we promote the Victorian Public Service values of:

- responsiveness
- integrity
- impartiality
- accountability
- respect
- leadership
- human rights.

These values inform the way we do business and are demonstrated every day through the actions of our staff.

Our vision

A fair, safe and competitive marketplace in Victoria.

Our outcomes

- Businesses comply with consumer laws.
- Victorians exercise their consumer rights.
- A fair and safe rental market for Victorians.

Our functions

We provide:

- information, advice, and rental services
- assistance and advocacy services through funded services programs
- compliance and enforcement activities
- sector-specific regulation under Victorian registration and licensing schemes
- referrals to dispute resolution services
- support for legislation and policy development.

We also support these independent statutory offices and bodies:

- Estate Agents Council
- Motor Car Traders Claims Committee
- Residential Tenancies Bond Authority
- Business Licensing Authority.

Our regulatory approach

Our regulatory approach is intelligence-led, risk-based and outcome-focused. This enables us to target conduct posing the highest risk to Victorians, making the best use of our available resources. Our compliance operating model embeds this approach in our work.

Intelligence-led

Effective use of intelligence to inform decision-making is an important part of our regulatory approach.

We supplemented intelligence gathered over the course of our work with other sources, including:

- national information shared among Australian Consumer Law regulators
- local councils
- law enforcement organisations and other regulatory agencies
- industry and community stakeholders
- online forums and social media
- business reporting requirements.

For example, information in auditors' reports on estate agent trust accounts alerts us to businesses that may have problematic practices, helping us prioritise inspections.

We also receive reports from consumers and their representatives about business conduct or potential breaches of the law. While we do not pursue all of these individually, we use them as vital sources of intelligence to help assess risks and act as appropriate.

Risk-based

Where possible, we aim to identify and treat risks before they lead to actual consumer harm.

Regulatory risks are market behaviours that:

- represent non-compliance with the laws we administer
- present potential or actual consumer harm
- affect our ability to be an effective regulator
- need a regulatory response due to public concern.

We monitor markets and use evidence to shape a targeted compliance program, focusing on issues that pose the highest risk to Victorians. Risks can be posed by:

- a product
- a business' conduct
- a new or emerging business practice
- the conduct or business model of an entire industry.

Outcome-focused

We use a range of compliance tools based on a strategy aimed at affecting market outcomes. We choose compliance actions to achieve results that deter unlawful conduct and promote future compliance.

We take enforcement action to serve the public interest. We exercise discretion, focusing on actions that benefit all consumers. We do not generally take action on behalf of individuals to obtain redress.

The nature of the problem and the desired outcome determine which compliance and enforcement approach we use. Where appropriate, we seek voluntary compliance.

Importantly, we have a full range of tools to protect the Victorian community by holding businesses accountable for unlawful conduct. These include:

- civil and criminal court action
- infringements
- public warnings.

Machinery of Government changes

The Victorian Government established DGS on 1 January 2023 to improve everyone's experience of doing business, and interacting, with the government.

DGS brings important day-to-day services together in one department to make things easy and seamless for Victorians and businesses. The department is doing this by connecting and digitising systems and platforms across state and local government as well as streamlining corporate and procurement services.

The Customer & Regulatory Services group is responsible for:

- policy development
- regulatory design and administration
- system and program design
- delivery of services to, and in the best interests of, Victorians.

The group includes:

- Local Government Victoria
- Service Victoria
- Consumer Affairs Victoria
- Public Record Office Victoria
- Victorian Government Grants Centre
- Victorian Registry of Births, Deaths and Marriages
- Worker Screening.

Its priorities are policy and regulation that support responsive and accountable services that improve satisfaction and productivity.

As part of the group, we contribute to its mission of making it easier for people and businesses to engage with government. Together with the group's other divisions, we aim to provide consistently great customer experiences by delivering scalable, efficient and effective services.

2023–26 Strategic Plan

In 2022–23, extensive consultation helped us craft a new Strategic Plan. The Plan reaffirms our vision for a fair and safe marketplace in Victoria, confirms the outcomes we are working to achieve, and defines where we will focus our efforts to achieve these outcomes.

The new Plan aligns with DGS's vision to improve everyone's experience and interaction with the Victorian Government. Underpinning the Plan is a focus on supporting Victorians, especially those experiencing vulnerability, through inclusive and accessible services, better engagement and harnessing digital technologies to improve our services.

Our new Plan will be available on our website and we will report against its outcomes and strategic directions in future annual reports.

Regulatory priorities 2023–24

Regulatory priorities set out the specific areas and harms a regulator will focus its proactive efforts on addressing. At the end of this year, we finalised our 2023–24 annual regulatory priorities, which reflect CAV's intelligence on emerging marketplace risks, government priorities and stakeholder feedback. These regulatory priorities will help direct our resources to address key risks to consumers we are concerned about in the marketplace.

The priorities cover four key areas:

- ensuring fairness and safety in competitive consumer markets
- upholding robust standards for key industries, sectors and professions
- ensuring a fair and safe rental market
- supporting Victorian communities impacted by emergencies.

Our regulatory priorities will be available on our website. Regulatory priorities do not prevent us from responding to new, emerging or serious issues or harms that arise during the year under our areas of regulatory responsibility. We will always take appropriate action to address harmful conduct or breaches of the laws we administer.

Our performance

In 2022–23 our performance reflected our timely and targeted response to some of the most pressing issues facing Victorians, as well as our efforts to continue promoting consumer and business confidence in the Victorian marketplace.

We prioritised providing relief to flood-affected people by redirecting staff from our phone helplines to help Victorians access government supports. This required adjusted hours for some of our phone queues. However, online services were available and support for vulnerable consumers and high-detriment phonelines were not affected.

In response to worsening rental affordability, we directed extra resources to rising demand for reviews of rent increases. We ensured our compliance officers prioritised these critical services over routine inspections.

Over the year, we delivered thousands of licensing and registration services to Victorian businesses and community organisations. When needed, we undertook compliance and enforcement activities.

We supported financial counselling and tenancy assistance agencies to deliver critical support to Victorians over a year in which rising cost of living pressures were a significant issue. Client cases became more complex, which reduced the number of clients we could help, but we are confident that we gave meaningful support to the most vulnerable Victorians.

We are committed to playing a constructive and supportive role in ensuring that as the economy recovers from the challenges of COVID-19, it emerges as a fair and safe marketplace for all Victorians.

Our performance is measured against target outputs specified in Budget Paper 3 2022–23. Outputs refer to the goods and services provided to government by departments, agencies and statutory bodies, and through funding provided to others, such as community agencies.

Table: BP3 results

	Unit of Measure	2020–21 actual	2021–22 actual	2022–23 target	2022–23 actual
Quantity					
Information and advice provided to consumers, renters, rental providers and businesses: through other services including written correspondence, face-to-face and dispute assistance ¹	Number	144,533	99,191	157,343	114,906
Information and advice provided to consumers, renters, rental providers and businesses: through telephone services ²	Number	205,508	245,141	293,265	206,025
Number of court and administrative actions ³	Number	533	628	900	495
Transactions undertaken: Residential Tenancies Bond Authority (RTBA)	Number	498,336	494,809	501,000	479,849
Transactions undertaken: registration and licensing	Number	95,096	100,711	108,735	106,065
Victims of family violence assisted with financial counselling	Number	3,178	3,438	3,750	3,806
Quality					
Proportion of high priority breaches resulting in regulatory response	Per cent	100	98	100	99
Rate of compliance with key consumer laws	Per cent	90	90	95	94
Timeliness					
Regulatory functions delivered within agreed time frames	Per cent	96.7	96	95	95
Cost					
Total output cost	\$ million	147.7	127.2	131.7	128.4

1 The lower 2022–23 actual is due to a change in the methodology of the measurement for the 2022–23 target. The 2022–23 target includes both online and written services and face-to-face funded services. Online service delivery remains high, however people assisted by face-to-face services have been requiring longer and more intensive support.

2 The lower 2022–23 actual is due to ongoing service model changes that promote online advice where appropriate, while ensuring telephone support for those who need it. In addition, some resources were prioritised to flood responses during Quarter 2 2022–23.

3 The lower 2022–23 actual is due to the prioritisation of support following the October 2022 floods and CAV's response to rent reviews.

Our achievements

Businesses comply with consumer laws

A key to achieving a fair and competitive marketplace is ensuring businesses comply with consumer laws. We support businesses to be compliant by giving them information and resources, and protect consumers by acting quickly against business that are causing the most harm. We follow an intelligence-led, risk-based enforcement approach. We also focus on achieving high levels of business compliance by working with relevant industry bodies and other partners.

Promoting product safety

Products sold to consumers should be safe. In Victoria, we monitor compliance against national mandatory product safety standards. We work closely with the Australian Competition and Consumer Commission (ACCC) and other jurisdictions to administer the product safety provisions of the Australian Consumer Law. In 2022–23, we ran campaigns to promote the safe use of blind cords and button batteries and supported regulatory change to improve the safety of commercially available helium.

Blind cords that don't meet safety standards pose a significant risk to young children. Unsecured blind or curtain cords claim the lives of one or two Australian children every year – at least 21 since 2001.

We have prioritised addressing this risk through both regulation and community outreach. A new mandatory standard for blind and curtain cords for Victorian rooming houses was introduced on 26 February 2023. It requires rooming house operators to secure loose blind and curtain cords to a wall, as described in the current Australian consumer safety standard. Operators will have 12 months to meet the new requirement.

A national mandatory product safety standard applies for corded blinds and curtains installed after 30 December 2010. However, many older rental properties still have unsecured blind cords. We offer free blind cord safety kits on request, to retrofit curtains and blinds in Victorian properties.

Victorian residents ordered over 3,500 free blind cord safety kits between 1 July 2022 and 30 June 2023. After we relaunched a child safety campaign on 18 January 2023, we received almost 300 orders for blind cord safety kits in one day.

Button batteries in many consumer and household products pose serious risks to young children. If swallowed, they can become stuck in a child's throat and cause terrible injuries and even death. Under new mandatory Australian standards, since June 2022, button batteries' packaging must carry appropriate warnings. Products with button batteries must also meet design standards intended to keep the batteries secure. Businesses providing unsafe or non-compliant products can face serious penalties.

To ensure compliance with the new safety and information standards, our inspectors visited 97 stores across the state, seized more than 3,000 products (including 280 children's toys and 2,000 batteries) and issued 85 official warnings. This activity was part of a national surveillance project, led by the ACCC, to check compliance with the new safety and information standards.

Our website provides information on button battery safety standards. We also host an online form for consumers to submit complaints about products they believe are unsafe or dangerous. They can make urgent complaints about products that have caused a serious injury or near miss via our staffed phone hotline.

We also supported the ACCC’s development of a national coordinated approach for safety standards for consumer helium products. Since 16 April 2023, a new mandatory safety standard made under the Australian Consumer Law sets out the requirements for non-refillable helium cylinders. The new safety standard requires these cylinders to include product safety labels and contain an oxygen-helium blend.

Underquoting taskforce

Underquoting is an unfair business practice that makes it harder for Victorians to purchase property. It occurs when a property is advertised at a price that is less than the estimated selling price, less than the seller’s asking price or less than a price already rejected by the seller. It can cause potential buyers to waste significant time and money inspecting properties that were never in their price range. It may also distort the market, while benefiting people who break the law.

In September 2022, the Victorian Government announced \$3.8 million over two years for a dedicated taskforce, embedded in CAV, to target underquoting. The taskforce builds on our ongoing focus on ensuring the estate agents only provide accurate information to the public when they are selling residential property. The new taskforce is working to:

- increase education for estate agents and the public
- collect and analyse market intelligence
- monitor sale campaigns
- increase our presence at auctions and targeted inspections.

The taskforce takes a zero-tolerance approach to non-compliance – all breaches we identify result in an enforcement response. Under the Estate Agents Act 1980, agents who underquote risk fines or penalties of almost \$38,000 for each

property where CAV considers that agents have failed to comply with their obligations. Even higher penalties apply for misconduct under the Australian Consumer Law, such as making false representations.

In 2022–23, we received 1677 contacts concerning underquoting, including 885 submissions via our new dedicated complaint form. From these complaints, we identified 135 estate agencies suspected of breaching underquoting laws. We inspected 80 estate agencies in person and undertook desktop monitoring of a further 101. We reviewed 375 sales files across in-person inspections and desktop compliance monitoring. We issued 48 infringements (totalling more than \$520,000) and 37 official warnings to 29 estate agents for underquoting, and several matters are under ongoing review or investigation for possible further action.

Protecting consumer money held in trust accounts

Trust accounts protect consumers who pay money (such as rent, purchase or sale deposits or advertising and maintenance fees) to real estate agents and conveyancers. Under the law, estate agents and conveyancers must deposit any client money they receive in advance into a trust account for safe keeping and face high penalties if they fail to comply.

Annual audits of estate agent and conveyancer trust accounts are an important requirement. They protect consumers by ensuring trust monies are not misused or stolen by agents or conveyancers. By law, estate agents and conveyancers must lodge an annual trust account audit with us if they held trust monies during the financial year. We have zero tolerance of non-compliance, because it may indicate more serious breaches.

Although most agents and conveyancers do the right thing, since 2021, we have run a compliance program to identify and take action where any have not complied with their trust account reporting obligations. As of 30 June 2023, 5,290 of the 5,938 estate agency businesses in Victoria operate a total of 5,835 statutory trust accounts. Three hundred and forty-four of the 706 conveyancing businesses in Victoria operate a total of 348 statutory trust accounts.

We issued 74 infringements to estate agents and 22 to conveyancers (a total of 96) for failing to meet their 2021–22 trust account audit obligations. This is slightly down from the previous audit year, indicating increased compliance as we continue our efforts to stamp out these failures.

We also took successful disciplinary against in the Victorian Civil and Administrative Tribunal against Seymour estate agent, Saowanee Howell and Caroline Springs agent, Tsun Ngai Lee for persistent failures to cause their trust accounts to be audited. In both instances the agents lost their licences to practice, Ms Howell for two years and Mr Lee for 18 months. We have identified several other cases where disciplinary proceedings may also be pursued in the coming year.

In 2022–23 we also finalised 9 criminal prosecutions and disciplinary proceedings and commenced 7 new court or disciplinary proceedings against estate agents and agents representatives for trust account mishandling.

One finalised prosecution concerned Kylie Jane Campbell, a Melbourne estate agent, who first came to our attention when

two witnesses made claims against the Victorian Property Fund (VPF). The VPF provides compensation for clients who have suffered financial loss as a result of agents' misconduct. Our investigation found that Ms Campbell had withdrawn more than \$100,000 in funds belonging to clients with the intention of putting it towards a deposit on a commercial property. Ms Campbell pleaded guilty in November 2022 to two charges of causing a deficiency in her company's trust account and wrongful conversion of funds. She was sentenced to a three-year community corrections order and 300 hours of unpaid community work. She was also ordered to pay more than \$94,000 to the VPF for money paid to compensate former clients.

In another matter, a former estate agent who mishandled his clients' trust account funds for personal use was sentenced this year to 12 months in prison and a two-year Community Corrections Order. Richard Michael Hayden, formerly the Director of Skyline Developments Pty Ltd, trading as Hayden Real Estate, pleaded guilty on 5 June 2023 to three offences. These included two charges for causing almost \$1.6 million in trust account deficiencies and one charge for fraudulently transferring around \$776,000 in trust funds for his own use. We launched court proceedings against Mr Hayden following complaints from consumers.

CAV's actions against Mr Hayden, Ms Campbell and others reflect our determination to hold agents accountable if they misuse money from trust accounts, and to ensure that Victorians feel secure knowing their trust account funds are managed by regulated professionals.

Professional Engineers Registration Scheme

The *Professional Engineers Registration Act 2019* (the Act) took effect on 1 July 2021. It is an important part of the government's support for infrastructure in Victoria, to enhance innovation and productivity in our economy. Registration also gives Victorians greater confidence that only suitably qualified and experienced engineers, who meet Australian and international standards, can provide professional engineering services.

Under the Act, registration is now mandatory for professional engineers in nominated areas, unless they work under the direct supervision of a registered professional engineer, or under a prescriptive standard. Professional engineers must meet qualifications and experience or competency requirements to be registered, and also meet continuing professional development requirements every three years.

In a first for Victoria, the scheme introduced a co-regulatory model involving engineering associations operating approved assessment schemes, with

- the Victorian Building Authority (VBA) advising on applicants' suitability to work in the building industry
- the Business Licensing Authority managing probity checks and granting registrations; and
- CAV and the VBA monitoring compliance and enforcement.

We continued to phase in registration across the five areas of engineering throughout 2022–23. As of 1 June 2023, mandatory registration applies to fire safety, civil and structural and electrical engineers. It will also apply to mechanical engineers by 1 December 2023.

The Business Licensing Authority registered 5,561 professional engineers in 2022–23. This makes a total of 9,657 professional engineers registered across the five engineering areas within the first two years. We estimate that after four years of mandatory registration, 27,000 engineers will be registered.

A statutory review of the Act will commence in 2024, based on advice from the co-regulatory bodies administering the scheme, as well as input from industry stakeholders.

Domestic building response

In March 2023, Porter Davis Homes Group went into liquidation. As Australia's 12th largest home builder, their closure affected 1,700 projects and another 779 empty blocks of land. Customers with incomplete homes faced out-of-pocket costs of tens of thousands of dollars, plus higher costs when finding another company to finish construction.

Some impacted customers could claim compensation under the builder's Domestic Building Insurance, but many had no insurance cover due to Porter Davis Homes' failure to take out the required insurance. In April 2023, the Victorian Government announced it would support these uninsured customers, with refunds up to the legal maximum deposit payment under the *Domestic Building Contracts Act 1995*. The Government also subsequently expanded the same support to customers of other builders who went into liquidation during 2022–23.

Recognising that customers needed to navigate consumer processes at a very stressful time, CAV undertook activities to inform consumers about their rights and where to go with any questions. Information

was provided via CAV’s Building Information phone line, dedicated website content and social media. CAV website content on Domestic Building Insurance and insolvency was reviewed to ensure the content was easy to read and understand. Collaboration between CAV, the VBA and the Victorian Managed Insurance Authority helped to ensure messaging was consistent, accurate, and reaching the right people. This included a co-branded VBA-CAV email that was sent to builders to reinforce their responsibilities in relation to Domestic Building Insurance. In 2022–23, CAV recorded 12,768 contacts relating to building matters, compared to 11,070 for the full 2021–22 financial year. These activities reflect CAV’s role in supporting the Victorian community through this challenging period.

CAV monitors and enforces compliance with both the *Domestic Building Contracts Act 1995* and the Australian Consumer Law, and is continuing to investigate the circumstances of this builder collapse. The Victorian Government has also committed to a review of the Domestic Building Contracts Act, to modernise it and appropriately balance industry and consumer interests. This review will complement the Building System Review, which is reviewing the Building Act 1993.

Sex work reforms

The Victorian Parliament passed the *Sex Work Decriminalisation Act 2022* (the Act) on 22 February 2022. Decriminalisation maximises sex workers’ safety, health, and human rights, to ensure that sex work is safe work. Reforms began in two stages, to allow time for the transition to a different regulation model.

Stage 1 began on 10 May 2022 and included:

- decriminalisation of street-based sex work in most locations
- repeal of the requirement for independent sex workers to register
- repeal of public health offences under the *Sex Work Act 1994*
- repeal of industry-specific advertising controls
- new anti-discrimination protections in the *Equal Opportunity Act 2010*.

Stage 2 will begin on 1 December 2023 and include:

- repeal of the *Sex Work Act 1994* and transition to regulating the sex work industry through existing mainstream government regulators
- re-enactment of offences relating to children and coercion in other legislation, to ensure their continued operation
- establishment of appropriate liquor controls for the sex work industry
- amendments to the *Public Health and Wellbeing Act 2008*
- amendment of planning controls applicable to the sex work industry.

When all the reforms are implemented, existing specialist responsible agencies such as WorkSafe, the Department of Health and local governments will regulate sex work.

The Business Licensing Authority stopped registering sex workers on 10 May 2022 and will stop licensing sex work businesses on 1 December 2023. It will not have any regulatory role in the sex work industry following decriminalisation. While CAV will stop enforcing licensing for sex work businesses from 1 December 2023, we will still enforce the Australian Consumer Law in the sex work industry, as we do in all industries.

National Fundraising Principles

The National Fundraising Principles are designed to replace existing prescriptive, overlapping and outdated laws and regulations. The Principles streamline state and territory requirements on charitable fundraiser conduct and will give charities and donors a clear understanding of appropriate conduct.

In November 2021, the Council on Federal Financial Relations (CFFR) asked the National Working Group on Reform of State and Territory Fundraising Laws to propose a national model fundraising framework for charitable fundraising.

The working group was co-chaired by the Victorian and Commonwealth Governments and comprised officials from all states and territories, except the Northern Territory, together with representation from the Australian Charities and Not for Profits Commission. The working group developed a set of proposed National Fundraising Principles which were subsequently endorsed by CFFR in February 2023, for adoption by all participating jurisdictions. This major step in fundraising red tape reform will save Australia’s charity sector millions of dollars each year, which can be used instead to help more Victorians.

Table: Compliance, licensing and registration activity undertaken

	2020–21	2021–22	2022–23
Compliance			
Inspections	567	1,009	415
Investigations	185	42	29
Parties to criminal proceedings, appeals and re-hearings	2	8	4
Parties to civil proceedings	9	5	5
Parties signed to enforceable undertakings	0	2	0
Official warnings and infringement notices issued	510	603	434
Registration and licensing			
Annual returns, updates or cancellations processed for incorporated associations, fundraisers, and co-operatives	55,209	49,108	50,532
Total registration and licensing transactions	95,096	100,711	106,065

Table: Registers we administer

	Number of applications lodged			Total on register		
	2020–21	2021–22	2022–23	2020–21	2021–22	2022–23
Estate Agents	1,840	2,461	1,730	16,416	17,633	17,919
Motor car traders	159	113	152	2,080	2,199	2,198
Second-hand dealers and pawnbrokers	222	203	187	3,471	3,610	2,988
Conveyancers	102	155	105	1,200	1,270	1,320
Owners Corporation managers	71	59	62	678	652	627
Sex work service providers (licensees)	1	4	3	113	103	100
Sex work brothel managers	112	65	87	631	692	494
Rooming house operators	208	119	161	1,024	1,060	1,142
Professional Engineers	N/A	1,395	5,561	N/A	4,571	9,657
Incorporated associations	1,875	1,537	1,806	42,566	41,590	42,966
Co-operatives	10	33	34	512	508	505
Fundraisers	473	534	497	2,310	2,469	2,672
Patriotic funds	0	1	0	390	389	377
Limited partnerships	10	36	33	423	457	488
Retirement villages	8	6	13	470	481	476
Funeral service providers	11	5	10	518	525	535
Rental non-compliance	N/A	N/A	N/A	0	13	16

Enforcement actions

Public warnings issued in 2022–23

Legislation	Parties
<i>Retirement Villages Act 1986</i>	Berkley Living Retirement Village (Berkley Living)
<i>Australian Consumer Law</i>	Shade Solutions

Court and tribunal matters finalised in 2022–23

Criminal prosecutions finalised

Legislation	Parties
<i>Motor Car Traders Act 1986</i>	DPP v Noori
<i>Residential Tenancies Act 1997</i>	DCAV v Waterdale Property
<i>Estate Agents Act 1980</i>	DCAV v Kylie CAMPBELL (BSM Realty)
<i>Estate Agents Act 1980</i>	DCAV v Richard HAYDEN (Skyline Developments Pty Ltd)

Civil proceedings finalised (including disciplinary inquiry and appeals)

Legislation	Parties
<i>Estate Agents Act 1980</i>	DCAV v Tsun Ngai LEE
<i>Estate Agents Act 1980</i>	DCAV v Robert PEDERSEN
<i>Estate Agents Act 1980</i>	DCAV v Robert Pedersen Real Estate Pty Ltd
<i>Estate Agents Act 1980</i>	DCAV v Shane HOOLEY
<i>Estate Agents Act 1980</i>	DCAV v Saowanee HOWELL

Ongoing court matters as at 30 June 2023

Criminal prosecution

Legislation	Parties
<i>Estate Agents Act 1980</i>	DCAV v Jean GILLET
<i>Conveyancers Act 2006</i>	DCAV v Hans RICHMOND
<i>Estate Agents Act 1980</i>	DCAV v Syed ZAFAR
<i>Estate Agents Act 1980</i>	DCAV v Christopher MICHAEL/Australian Property Management Solutions
<i>Estate Agents Act 1980</i>	DCAV v Paul VELLA

Civil proceedings (including disciplinary inquiry)

Legislation	Parties
<i>Estate Agents Act 1980</i>	DCAV v ALLISON
<i>Estate Agents Act 1980</i>	DCAV v Thomas ALOYSIUS
<i>Residential Tenancies Act 1997</i>	BORG v WAN and DCAV

Victorians exercise their consumer rights

We empower Victorians to exercise their consumer rights by providing information and supports that are easy to find, understand and use. We continue to work with partner organisations to deliver important services to Victorians, particularly people experiencing vulnerability or disadvantage in the marketplace. We focus support and advocacy on the people who need it most.

Relief and recovery post the October 2022 floods

Significant flooding impacted Victoria during October and November 2022 across metropolitan and regional areas, with properties damaged, destroyed or inaccessible. Many health services, community services and care facilities were also impacted during that time.

CAV seconded 25 staff to relief and recovery efforts across Emergency Recovery Victoria and the Department of Families, Fairness and Housing. CAV also established a dedicated floods hotline and its number was included on information sheets provided at relief centres across Victoria and on CAV's website. The hotline prioritised support for impacted Victorians in private rental, consumer and building matters.

The CAV website provided clear information not only on CAV's relief services available, but on additional recourse available to Victorians who had property or vehicles damaged in the floods. We also reminded Victorians that fundraising scams can be common after floods, and provided advice on how to avoid them.

The Victorian Government allocated \$1.67 million to financial counselling services in areas affected by the October 2022 Victorian floods. This was part of the initial \$351 million allocated on 16 October

2022 for the Victorian flood recovery initiative. Financial counsellors support clients to negotiate with banks (for a pause on mortgage payments) and insurance agencies, and to access grants.

An additional \$630,000 was allocated to establishing the Tenancy Stress Victoria Pilot, to support Victorian renters in flood-affected areas of Western Melbourne, Loddon, and Goulburn. Tenancy Stress Victoria provides these renters with access to integrated legal, social work and financial counselling assistance, drawing upon flood financial counselling support from funded agencies in affected areas.

Community assistance programs

To support Victorians experiencing vulnerability or hardship, we continued to fund a range of community services through the Financial Counselling Program (FCP), consumer programs and the Domestic Building Legal Service (DBLS).

In 2022–23 the FCP was funded \$14.4 million to support consumers with advice about their rights and responsibilities, support in negotiating with creditors and advice on how to make payment plans for debts. It supported more than 18,980 Victorians with free and independent financial counselling services, delivered by community agencies across Victoria. The program provided specialist financial counselling services to 3,806 Victorians experiencing family violence. Victorians affected by the 2019–20 bushfires and the 2021 storms and floods also continued to receive support through dedicated programs.

We also funded consumer programs including the Consumer Assistance and Advocacy Program (CAAP), which received \$900,000 to provide advice, casework, and campaign and advocacy services to

Victorian consumers. CAAP supported 270 Victorians to exercise their consumer rights in 2022–23. We also provided \$1.29 million for the Consumer Policy Research Centre to research important consumer law issues, including how they impact consumers experiencing vulnerability.

The DBLS received \$683,530 in funding to support disadvantaged homeowners experiencing disputes with their builder. It provided legal advice to 143 homeowners who had not been able to resolve the dispute through Domestic Building Dispute Resolution Victoria.

Harnessing digital technologies

CAV is focussed on harnessing digital technologies to improve our services and make the most of our data and resources. By accelerating digital transformation, we will make it easier for people and businesses to engage with government. We will continue to work with Digital Victoria and Service Victoria to modernise our digital services for the benefit of all users.

A program of ICT projects will help us meet our strategic objectives over the next few years. Key projects include redeveloping our website, uplifting the technology that supports our contact centre services, and improvements to online licensing and registration in myCAV.

CAV website redevelopment project

A crucial element of CAV's digital presence is the CAV website. The website is a vital resource that helps consumers access information and services and understand their rights. It also supports business to understand their obligations. Ninety per cent of consumer engagement with CAV starts on the CAV website.

As part of a website redevelopment project, running across the entire year, we undertook a significant content uplift and restructuring of the website navigation. The project is delivering an increasingly human-centric site with content that is easier to find and understand. We simplified the main 'contact us' page and improved specific sections such as the 'Understanding property prices and underquoting for buyers' section. We redeveloped this content to support the government's announcement of an Underquoting Taskforce.

We will continue to improve content and publish navigation upgrades during the coming year.

Contact centre uplift

Efficient and informative frontline advice services complement website and other content to support consumers in getting the information they need. Uplifting call handling technology and increasing integration with case management systems are opportunities to significantly improve how we provide these services to Victorians.

Following the Machinery of Government changes that came into effect in January 2023, providing better contact centre services has been a priority for DGS. CAV has collaborated with other DGS agencies on opportunities to improve services and platform technology.

We will continue to partner with other DGS service agencies to provide support, and to help clarify our business requirements and inform any necessary procurement activities. Through this, we will assess how we can best uplift our contact centre in the way that most effectively supports Victorian consumers.

Digital improvements to licensing and registration online systems

We continued to make licensing and registration schemes easier and more accessible for users. CAV and the Business Licensing Authority administer the schemes, which have moved from legacy systems to a single enterprise platform using Microsoft Dynamics. Users manage their licence or registration via a web-based transactional portal called myCAV.

Our digital improvement strategy has streamlined processes and made services to businesses and community organisations more efficient and responsive.

We moved our Motor Car Trader and Second-Hand Dealer and Pawnbroker schemes to Microsoft Dynamics and myCAV in May 2023. Over 2,000 motor car traders

and nearly 3,000 second-hand dealers can now manage their regulatory obligations using myCAV. Together they lodged more than 1,300 annual statements using myCAV between 2 May 2023 and 30 June 2023.

In a first for licensing applicants using myCAV, engineers have been able to use Service Victoria's online identity verification service since January 2022 to streamline the registration process and reduce the administrative burden for them. We have continued to integrate this service into myCAV transactions, making it easier for other professionals such as estate agents and conveyancers also to provide and verify their identity online. During the year we further extended Service Victoria online identity verification to motor car traders and second-hand dealers.

Table: Information, advice and assistance provided to consumers

	2020–21	2021–22	2022–23
Information and advice			
Calls answered	205,508	245,141	206,025
Advice provided to resolve disputes			
Disputes finalised	26,757	6,709	4,730
Digital			
Website visits	5,723,880	5,415,957	5,664,114
Letters, emails and online enquiry form contacts	91,029	63,325	75,797
Twitter followers	10,634	10,717	10,557
Facebook page likes	49,693	49,941	52,388
YouTube video views	113,938	68,363	54,594
Face-to-face or intensive assistance (funded community services)			
Victorians assisted under the Consumer Assistance and Advocacy Program	287	349	270
Clients assisted with financial counselling	20,386	21,223	22,794

A fair and safe rental market

2022–23 saw rents rise while the supply of rental accommodation fell. The Melbourne rental vacancy rate was 2.1% at the end of 2022–23, compared to 3.4% a year earlier. The median weekly rental price rose 15.7% in a year to \$500.¹

We remain focussed on supporting access to fair, safe and secure rental housing, and to making things easier for renters.

Renter assistance

Statutory rental services

We carry out investigations into rent levels at the request of renters who think a rent increase is excessive. If we assess an increase as excessive, we can help renters and rental providers reach an agreed rental price. If they cannot agree on the new rent, a renter can use our report to apply to the Victorian Civil and Administrative Tribunal (VCAT). VCAT may set a maximum rent.

In 2022–23 we received more than 5,400 requests for reviews of rent increases. This was a greater than 120 per cent increase on 2021–22 and clearly reflects the current challenges in the rental market. We re-allocated our resources to meet this demand, asking our regional officers to conduct and complete these investigations as a priority. Our regional officers also conducted over 500 inspections where renters and rental providers had disputes over non-urgent repairs.

We also fund state-wide, place-based renter assistance (see below) and financial counselling services to support Victorians in need. (See 'Community assistance programs' on page 20 for details.)

¹ [Homes Victoria Rental Report June quarter 2023](#)

Renter assistance programs

We fund a number of renting programs:

- Tenancy Assistance and Advocacy Program (TAAP)
- Tenancy Central Service (TCS)
- Retirement Housing Assistance and Advocacy Program (RHAAP)
- Rooming House Operator Best Practice Program.

These programs provide support to vulnerable Victorians in private rentals or retirement housing and promote compliance for rooming house operators.

In 2022–23 the TAAP was funded \$3.2 million to support renters in private rental properties (including rooming houses) where there is a private tenancy agreement covered by the Residential Tenancies Act 1997. TAAP advocates assist renters by providing information and referrals to additional supports, negotiation with rental providers and advocacy at VCAT. The program supported 8,410 Victorians in 2022–23, empowering them to exercise their rights and resolve disputes with rental providers.

The TCS received \$600,000 to support advocates and community workers through the worker advice line, community worker outreach and community of practice program and professional development for TAAP workers. The funding also supported tenancy campaigns, media, policy, and advocacy.

The RHAAP was funded for \$300,000 and the program provided support to 437 elderly Victorian renters through the Retirement Housing Assistance Service (RHAS), retirement housing workers advice line and retirement housing campaigns, media, policy and advocacy.

The Rooming House Operator Best Practice Program received \$90,000 for providing support to operators to meet their regulatory requirements. This improves rooming house accommodation for Victorians experiencing disadvantage.

Enforcement

In September 2022, Waterdale Estate Agents were convicted and fined for breaching residential tenancy laws during the first coronavirus wave after CAV took court action. The company cancelled students' access to the apartment building containing their rented accommodation and served a Notice to Vacate in breach of the *Residential Tenancies Act 1997* (as amended in 2018) and their estate agent professional obligations.

These renters were particularly vulnerable international students, who were far from their homes and families at the start of the pandemic.

Legislative reform and government initiatives

On 29 March 2021, more than 130 rental reforms were introduced covering minimum standards, repairs and modifications, limiting rent increases to once per year and banning rental bidding. Rental providers and their agents can now only advertise or offer rental properties at a fixed price. They are banned from inviting rental bids or requesting offers higher than the advertised rent.

Electrical safety minimum standards and heating minimum standards

The department implemented new electrical and heating minimum standards for rental properties on 29 March 2023, to make them safer and more comfortable.

Rental properties must now have all power outlets and lighting circuits connected to a switchboard type circuit breaker and a switchboard type residual current device that complies with Australian and New Zealand standards. They must also have an energy efficient fixed heater installed in the main living area of the home. These new standards apply to rental agreements that started from 29 March 2023.

Rooming houses minimum standards

Rooming houses are often the last resort for some of the most vulnerable Victorians and we are committed to their effective regulation.

The department developed the new Residential Tenancies (Rooming House Standards) Regulations 2023, to make rooming houses safer and more comfortable for residents. The regulations became law on 26 February 2023.

The new minimum standards include:

- an increased frequency for electrical safety checks
- updated requirements for laundry facilities
- new blind cord safety standards
- new requirements for rooming houses to be structurally sound, weatherproof, and free from mould and dampness.

A transition period of one to two years applies to some standards, to give rooming house operators time to make the required changes.

We actively monitor the rooming house sector across Victoria, which includes an inspection program. CAV undertakes risk-based targeting of rooming houses, focusing on breaches causing the most serious detriment. Our State Inspection Program conducted over 157 rooming house inspections, including 199 gas and electrical safety checks, to ensure compliance with the minimum safety standards.

We continue to facilitate the electronic lodgement of gas and electrical safety certificates using our online myCAV licensing and registration portal. In 2022–23, 571 certificates were lodged. Online lodgement makes it faster and easier for operators to meet this important safety obligation and helps us monitor compliance more effectively.

Consultation on review of the Retirement Villages Act 1986

After a review of the *Retirement Villages Act 1986*, the government released an Exposure Draft Bill for public consultation in October 2022 and further public consultation from 3 April to 1 May 2023.

The Exposure Draft Bill proposes a range of reforms to ensure effective consumer protections, and continued growth and innovation in the retirement villages sector. The department is considering all feedback to inform further development and work to finalise the amendment bill for introduction into Parliament.

Table: Information, advice and service delivery to renters, rental providers and agents

	2020–21	2021–22	2022–23
Information and Advice			
Website page views – renting section	3,870,748	3,544,425	4,261,483
Calls answered – residential tenancies	92,427	70,633	63,200
Calls answered – RTBA	32,180	56,128	44,574
Compliance			
Rooming house inspections (including repeat visits)	187	233	157
Rooming houses registered	1,419	1,369	1,451
Transactions			
Bonds lodged	250,170	259,479	255,722
Bond repayments	248,166	236,443	224,127
Bonds transferred	75,172	57,967	67,079
Bonds held	686,167	706,892	738,414
Value held	\$1.24 billion	\$1.27 billion	\$1.38 billion
Total transactions (bonds lodged and repaid) – RTBA	498,336	494,809	479,849
Face-to-face or intensive assistance			
Funded community services			
Tenants under the Tenancy Assistance and Advocacy Program	6,650	7,339	8,410
Residential tenancy inspection advice provided			
Repair reports	2,063	704	560
Goods left behind reports	1,531	2	0
Rent increase reports	752	2,452	5,448

Victorian Property Fund grants

The *Estate Agents Act 1980* allows the responsible Minister to award grants from the VPF for various legislated purposes. The Minister makes decisions on grants after consultation with CAV, the Estate Agents Council and any industry associations, government departments and other organisations, as appropriate. We administer the VPF grants program. This includes evaluating applications, making recommendations about proposals to the Minister, and administering the grants.

In 2022–23, \$1.8 million was spent on existing grants to community organisations to deliver estate agent professional development training, community education on renting rights and social housing development projects.

During 2022–23, \$1.2 million was awarded for three new grants, running over three years. These have a community education focus to improve awareness and access to changes under rental reforms and awareness of owners corporation responsibilities and obligations.

The table below represents active grants and the 2022–23 grant expenditure by recipient and purpose.

Recipient	Purpose	Total grant	2022–23 expenditure
Tenants Victoria	Renting education activities	\$0.86m	\$0.32m
Victorian Council of Social Service	Renting education activities	\$0.26m	\$0.08m
Strata Communities Association (Vic)	Owners Corporation education activities	\$0.07m	\$0.0m
Common Equity Housing Ltd	A social housing development of a 17-unit housing complex at 6–8 Wilson Avenue, Brunswick	\$4.2m	\$0m
Kids Under Cover	A social housing project across various sites providing long term accommodation for young Victorians	\$2.3m	\$0.02m
Mallee Accommodation and Support Program	A social housing development of 13 one-bedroom units	\$2.02m	\$1.1m
HousingFirst	A social housing development of a 36-unit rooming house at 5 Little Grey Street, St Kilda.	\$6.89m	\$0.09m
Community Housing	A social housing development of a 20-unit housing complex at 23 Cilento Crescent, Lynbrook	\$2.8m	\$0m
Community Housing	A social housing development of a 15-unit housing complex at 64–68 Anderson Street, Lilydale	\$2.9m	\$0m
Beyond Housing	A social housing development of five 2-bedroom townhouses and three 3-bedroom family homes in Mitchell Shire	\$2.01m	\$0.05m
Australian Livestock and Property Agents Association	Estate agents' professional development program	\$0.17m	\$0.017m
Heritage Victoria	Repair and conservation of Victoria's heritage places	\$1.5m	\$0m

Other

Statement of Expectations

In September 2021, the Minister for Consumer Affairs, Gaming and Liquor Regulation issued a Statement of Expectations (SOE) to CAV and the Business Licensing Authority for 2021–23.

This SOE set out two-year governance and performance objectives aimed at improving CAV's administration and enforcement of regulation to reduce its impact on businesses and the community. The SOE is available within the [About us](#) section of our website at consumer.vic.gov.au/about-us.

The performance objectives identified in the SOE cover four broad goals:

- support economic and social recovery
- improved timeliness
- risk-based strategies
- compliance related assistance and advice.

More information about our performance against these goals is set out below.

In June 2023, the Minister for Consumer Affairs issued CAV with a new SOE for the coming year. This is also available on our website.

Support economic and social recovery

The 2021–23 SOE directed us to prioritise regulatory reforms necessary to address the areas of greatest potential consumer harm in a recovering economy, while ensuring businesses have the tools they need to expand and adapt in a changing marketplace.

Implementation

We committed to deliver digital improvements for users of our online licensing and registration systems. These will support economic recovery and save

time and effort for Victorian businesses and community groups, while addressing consumer harms. We delivered digital improvements including:

- online lodgement of compliance certificates by rooming house operators (delivered January 2022)
- online notifications to operate under automatic mutual recognition (delivered February 2022)
- online licensing and registration systems for motor car traders and second-hand dealers (delivered May 2023).

Improved timeliness

The SOE directed us to promote and advance national harmonisation of regulation to reduce business costs and increase community understanding of their consumer rights and responsibilities. Another directive was to implement ongoing digital improvements to make licensing and registration interactions quicker and easier for businesses, professionals, and community groups.

Implementation

To help Victorians businesses save time and effort, we delivered digital improvements for users of our online licensing and registration systems. We improved online identity verification capabilities for professional engineers in January 2022 and for transactions by estate agents, rooming house operators, conveyancers and owners corporation managers in May 2022. We extended these capabilities to motor car traders and second-hand dealers in early May 2023, as part of their migration to online licensing and registration systems. In 2022–23, 5536 applications were processed from users who had verified their identity using Service Victoria's online identity system.

Improvements to our online licensing and registration systems allow interstate licensees to lodge notifications under automatic mutual recognition (AMR). AMR operators also appear on the appropriate online public registers. In 2022–23, 306 AMR notifications were received across all schemes. This system continues to expand as more states and territories enter the scheme.

Risk-based strategies

Another priority was to put consumers at the centre of the design and enforcement of regulation, with a focus on:

- consumer wellbeing
- accessibility
- engagement with diverse communities
- minimising the risk of consumer harm
- supporting consumers' confident participation in the market.

Implementation

We recognised the great potential harm than can come from rooming houses and supported the development and implementation of the Residential Tenancies (Rooming House Standards) Regulations 2023. These became law on 26 February 2023. The new minimum standards include significant safety requirements, which we check as part of our active monitoring of the rooming house sector across Victoria.

We continue to monitor rooming houses through our standard processes, and take immediate action for serious or urgent issues. Our broader stakeholder engagement program in the sector, particularly with local councils and Victoria Police, complements our own monitoring.

We continued to develop our community engagement, with the establishment of a team dedicated to consumer and community engagement. Recognising that Aboriginal

Victorians face significantly higher risk in multiple consumer activities, we began to develop a deeper Aboriginal and Torres Strait Islander strategic engagement plan in 2022–23.

As part of our risk-based, intelligence-led and outcomes-focused regulatory approach, we updated our regulatory priorities for 2023–24. This will help us better target the greatest risks facing the community in general and Victorians at great risk of vulnerability and disadvantage in particular.

Compliance related assistance and advice

The SOE directed us to help businesses meet their regulatory obligations effectively and efficiently, while ensuring they do not undertake poor trading or predatory practices.

Implementation

Expansion of the Professional Engineers Registration Scheme was an important part of implementing this directive in 2022–23. Over the year, CAV monitored registration operations and reviewed and maintained online content to support professional engineers' compliance with the scheme and ensure appropriate protections were in place for consumers of engineering services throughout the two-and-a-half year phase-in period.

We also focused on compliance within the real estate industry, conducting comprehensive annual trust account audits. In 2022–23, infringements were down more than 15 per cent from the previous year. This reflects our successful efforts to increase trust account compliance.

Having successfully acquitted our 2021–23 SOE, in June 2023 CAV received a new Statement of Expectations for 2023–24.

Table: Trust funds administered by CAV

Trust fund	Expenditure includes
Domestic Builders Fund	Administration of the <i>Domestic Building Contracts Act 1995</i> , costs relating to the Victorian Civil and Administrative Tribunal (VCAT) Building and Property List and Domestic Building Dispute Resolution Victoria (DBDRV).
Motor Car Traders Guarantee Fund	Administration of the <i>Motor Car Traders Act 1986</i> , guarantee fund claims.
Residential Bonds Account	Bonds held on trust for Victorian renters and rental providers.
Residential Bonds Investment Income Account	Administration of the Residential Tenancies Bond Authority, transfers to the Residential Tenancies Fund.
Residential Tenancies Fund	Administration of the <i>Residential Tenancies Act 1997</i> , costs relating to the VCAT Residential Tenancies List.
Sex Work Regulation Fund	Administration of the <i>Sex Work Act 1994</i> .
Victorian Consumer Law Fund	Administration of the <i>Australian Consumer Law and Fair Trading Act 2012</i> Part 7, Division 2, s. 102A to E, orders for payment to non-party consumers, special purpose grants.
Victorian Property Fund	Administration of the <i>Estate Agents Act 1980</i> and other real estate related legislation as permitted by s. 75 of the Act, grants relating to property and housing as permitted by s. 76(3) of the Act, operation of the Estate Agents Council, trust fund claims, costs relating to the VCAT Owners Corporation List and contribution to the costs of the VCAT Residential Tenancies List.

	Victorian Consumer Law Fund	Domestic Builders Fund	Motor Car Traders' Guarantee Fund	Residential Bonds Investment Income Account	Residential Tenancies Fund	Sex Work Regulation Fund	Victorian Property Fund	Trust Funds Total 2022–23
CAV Trust Funds Revenue								
Revenue recognition, Estate Agent and Conveyancer trust accounts							77,213,361	77,213,361
Revenue recognition, Residential Tenancy Bonds				34,186,084				34,186,084
Fees income		742,628	3,753,537		1,977,158	65,909	7,779,239	14,318,471
Interest income	89,319	1,364,326	275,451	2,855,826	1,181,300	6,875	5,828,013	11,601,110
Investments – market value adjustments		965,419		10,037,294	627,010		3,365,284	14,995,007
Transferred from the Victorian Building Authority ¹		20,188,175						20,188,175
Other revenue	122,857	10,585	1,245	117,383	14,337		59,623	326,031
Penalty income			8,389				80,962	89,351
Net Transfers in					26,600,000	1,500,000		28,100,000
Total CAV Trust Funds Revenue	212,176	23,271,134	4,038,622	47,196,588	30,399,806	1,572,784	94,326,482	201,017,591
CAV Trust Funds Expenditure								
Audit services				25,900				25,900
Claims on consumer guarantee funds			108,360				6,199,409	6,307,769
Contractors, consultants and professional services		82,396	41,351	1,840,521	156,369	16,408	717,041	2,854,086
Employee related costs	29,272	10,252,364	1,395,246	2,366,173	10,187,812	1,597,185	8,746,650	34,574,702
Grants paid	1,298,148	6,100,484			18,834,256		2,326,517	28,559,405
Information technology		370,844	81,137	556,339	430,992	73,499	364,548	1,877,358
Occupancy costs		37,072	2,691	22,950	9,387	4,972	26,510	103,582
Other operating costs		1,372,809	366,841	273,390	1,253,285	177,862	1,032,170	4,476,356
Net Transfers out					12,000,000		14,600,000	26,600,000
Outsourced contracted costs				5,441,230				5,441,230
Total CAV Trust Funds Expenditure	1,327,420	18,215,969	1,995,625	22,526,502	30,872,101	1,869,926	34,012,844	110,820,388
Trust Funds, opening equity 1 July 2022	3,735,194	31,201,808	7,939,933	42,650,219	27,760,543	350,560	124,942,407	238,580,665
Current year operating surplus/(deficit)	(1,115,243)	5,055,165	2,043,579	24,670,086	(472,295)	(296,851)	60,317,714	90,202,154
Trust Funds, closing equity 30 June 2023	2,619,952	36,256,973	9,983,512	67,320,305	27,291,741	53,709	185,260,121	328,786,312

¹ Domestic Building Dispute Levy and Registration Fees

Regulations made, commenced, revoked in 2022–23

Regulations made

Name	Date made
Residential Tenancies (Rooming House Standards) Regulations 2023	21 February 2023
Partnership (Fees) Regulations 2023	24 June 2023
Subordinate Legislation (Business Licensing Authority Regulations 2013) Extension Regulations 2023	7 March 2023

Regulations commenced

Name	Date commenced
Residential Tenancies (Rooming House Standards) Regulations 2023	26 February 2023
Partnership (Fees) Regulations 2023	24 June 2023
Subordinate Legislation (Business Licensing Authority Regulations 2013) Extension Regulations 2023	7 March 2023

Regulations revoked

Name	Date revoked
Residential Tenancies (Rooming House Standards) Regulations 2012	21 February 2023
Partnership (Fees) Regulations 2013	24 June 2023

Legislation administered by CAV as at 30 June 2023

- *Associations Incorporation Reform Act 2012*
- *Australian Consumer Law and Fair Trading Act 2012*
- *Business Names (Commonwealth Powers) Act 2011*
- *Chattel Securities Act 1987*
- *Company Titles (Home Units) Act 2013*
- *Consumer Credit (Victoria) Act 1995*
- *Conveyancers Act 2006*
 - except in so far as it relates to the licensing and registration functions of the Business Licensing Authority (in so far as it relates to those matters, the Act is administered by the Minister for Small Business)
- *Co-operatives National Law Application Act 2013*
- *Co-operatives National Law (Victoria)*
- *Credit Act 1984*
- *Credit (Administration) Act 1984*
- *Credit (Commonwealth Powers) Act 2010*
- *Domestic Building Contracts Act 1995*
 - except Part 5 (administered by the Attorney-General)
- *Estate Agents Act 1980*
 - Except in so far as it relates to the licensing and registration functions of the Business Licensing Authority (in so far as it relates to those matters, the Act is administered by the Minister for Small Business)
- *Fundraising Act 1998*
- *Funerals Act 2006*
- *Goods Act 1958*
- *Motor Car Traders Act 1986*
 - Except in so far as it relates to the licensing and registration functions of the Business Licensing Authority (in so far as it relates to those matters, the Act is administered by the Minister for Small Business)
- *Owners Corporations Act 2006*
 - Except in so far as it relates to the licensing and registration functions of the Business Licensing Authority (in so far as it relates to those matters, the Act is administered by the Minister for Small Business)
- *Partnership Act 1958*
- *Professional Engineers Registration Act 2019*
- *Residential Tenancies Act 1997*
 - Sections 23A-25, 27, 32, 33, 45-48, 74-77, 82, 90, 91, 91A, 102, 102A, 103, 104(1), 104(4), 104(5), 104(6), 105(2), 105(2A), 105(3), 124, 35128, 130-134, 141-142B, 142D-212, 213AA-215, 230, 323-234, 241, 277, 289A, 291-327, 329-333, 335-339, 341, 343-366, 373-376, 385, 388, 388A, 390, 390A, 395-398, 399A-439M, 480, 486-499, 501-504 and 505A-510C
 - Section 66(1) (this section is jointly administered with the Minister for Housing)
 - Section 142C (this section is jointly and severally administered with the Minister for Housing)
 - Part 12A and section 511 (these provisions are jointly and severally administered with the Minister for Disability, Ageing and Carers and the Minister for Housing)
 - Part 16 (this Part is jointly and severally administered with the minister for Disability, Ageing and Carers and the Minister for Housing)
 - The Act is otherwise administered by the Attorney-General, the Minister for Housing and the Minister for Planning.
- *Retirement Villages Act 1986*

- *Rooming House Operators Act 2016*
 - Except in so far as it relates to the licensing and registration functions of the Business Licensing Authority (in so far as it relates to those matters, the Act is administered by the Minister for Small Business)
- *Sale of Land Act 1962*
- *Second-Hand Dealers and Pawnbrokers Act 1989*
 - Except in so far as it relates to the licensing and registration functions of the Business Licensing Authority (in so far as it relates to those matters, the Act is administered by the Minister for Small Business)
- *Sex Work Act 1994*
- *Sex Work Decriminalisation Act 2022*
- *Subdivision Act 1988*
 - Part 5
 - Section 43 (in so far as it relates to Part 5)
 - The Act is otherwise administered by the Minister for Planning.
- *Travel Agents Repeal Act 2014*
- *Veterans Act 2005*
 - Part 4
 - The Act is otherwise administered by the Minister for Veterans.
- *Warehousemen’s Liens Act 1958*

Consumer Affairs Victoria (part of the Department of Government Services) acknowledges the Aboriginal and Torres Strait Islander people as the Traditional Custodians of the land. The department also acknowledges and pays respect to their Elders, past and present.

Authorised and published by the Victorian Government, 1 Treasury Place, Melbourne.

October 2023

ISSN 2209-4768 - Online (pdf/word)

Unless indicated otherwise, this work is made available under the terms of the Creative Commons Attribution 4.0 International licence.

To view a copy of this licence, visit creativecommons.org/licenses/by/4.0

It is a condition of this Creative Commons Attribution 4.0 Licence that you give credit to the original author, who is the State of Victoria.

Accessibility

If you would like to receive this publication in an accessible format, please visit consumer.vic.gov.au

Published by order, or under the authority, of the Parliament of Victoria
October 2023

