## - MEDIA RELEASE-

# Dodgy rental safety checks prompt calls for auditing and oversight

Tenants are still at risk from faulty gas, electrical and smoke alarms despite stronger rules for mandatory safety checks in Victoria, according to a new report by the McKell Institute.

In Victoria, rental providers are legally required to check smoke alarms every 12 months and have gas and electrical appliances and fittings inspected by a licensed practitioner at least every two years.

The Victorian Government sought to strengthen checks in response to recommendations from the Coroner, after a Ballarat man died in 2022. As the rules requiring yearly smoke alarm checks only came in after he signed his lease in 2019, his property wasn't covered by them.

In 2024, the Government announced plans to apply the rules for mandatory smoke alarm, gas and electrical checks to all rentals, regardless of lease dates.

However, the report shows practitioners can cut corners with little oversight or transparency, leaving renters vulnerable and unaware of malfunctioning gas and electrical appliances and smoke alarms.

Cheaper practitioners who tend not to find fault with appliances can appeal to rental providers. Poor performing practitioners can profit from rushing checks, using cheap unqualified staff, and failing to identify problems.

The report, <u>Unchecked: Strengthening safety measures for Victorian rental properties</u> was prepared following broad consultation with property management executives and peak bodies.

# **Key findings**

- Renters remain vulnerable: tenants have little visibility over whether safety checks have been completed properly, with no central registry or oversight of practitioners.
- Quality varies: A major service provider conducted their own "mystery shop" exercise of 21 safety checks at a single Melbourne property. This exposed widespread corner-cutting, rushed jobs, and unlicensed practitioners completing inspections.
- No deterrence for poor practice: Safety checks are not audited by regulators the way other gas
  and electrical work is, meaning low-quality providers are not held accountable and operate
  knowing their work goes unchecked.
- Data gaps: There is no way for government to be sure rental property owners are aware of their safety check obligations and changes made to rental requirements.

#### Recommendations

The report calls for practical, low-cost reforms to strengthen renter safety and support compliance, including:

- Establishing a rental property registration system to track compliance and improve commutation channels between government and landlords, especially those who do not use a property manager.
- Requiring completed safety check reports to be included with all new rental agreements.
- Introducing an accreditation scheme for safety check providers to ensure consistent standards and accountability.
- Extending mandatory gas and electrical safety checks to all Victorian rental properties, regardless of when the lease was first signed, delivering on a government commitment yet to be legislated in full.

The full report is available on the McKell Institute website: mckellinstitute.org.au/research

## Quotes attributable to McKell Institute Victoria Executive Director Rebecca Thistleton:

"While Victoria now has the toughest rules for rental safety checks, operators can profit from cutting corners and leaving tenants vulnerable.

"Renters need to know their homes are safe and landlords need to have confidence they're paying for genuine, professional safety checks."

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