

# Letter of compliance

8 September 2021

**The Honourable Leeanne Enoch MP**

**Minister for Communities and Housing, Minister for Digital Economy and Minister for the Arts**

GPO Box 806

Brisbane Qld 4001

Dear Minister

I am pleased to present the Annual Report 2020–21 and financial statements for the Residential Tenancies Authority (RTA).

I certify this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* (Qld) and the *Financial and Performance Management Standard 2019* (Qld), and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining compliance with the annual reporting requirements can be found on page 82 of this report.



Yours sincerely



**Paul Melville**

Board Chair, Residential Tenancies Authority

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<b>ISSN 18388248</b>	
To read the Residential Tenancies Authority Annual Report 2020–21 online visit: <a href="http://rta.qld.gov.au/annualreport">rta.qld.gov.au/annualreport</a> .	

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# Chair's message

The Residential Tenancies Authority (RTA) Annual Report 2020–21 details the RTA's ongoing efforts to improve customer experience and satisfaction, support Queenslanders through changing COVID-19 tenancy arrangements and lay the groundwork for a sustainable organisational future.

In the past year, some highlights for the RTA included:

- implementing changes arising from the COVID-19 Regulations and continuing to support Queensland tenants, property owners and property managers;
- establishing the Stakeholder Working Group for industry feedback and input on customer education and communication strategies and initiatives;
- relocating the RTA office and upgrading essential IT infrastructure to continue delivering secure and reliable digital services, and
- delivering on and updating the RTA Strategic Plan to align with the Queensland Government's objective of *Unite and Recover*.

The RTA greatly values its networks and relationships with regional customers and stakeholders which underpinned the plan for face-to-face information sessions and stakeholder meetings in Cairns in March 2021. These were unfortunately postponed by a Greater Brisbane three-day COVID-19 lockdown and have been rescheduled for October 2021. We look forward to extending our focus on regional connections once again.

With Queensland experiencing an increase in interstate migration and less movement in the rental sector, it has resulted in a challenging rental market. During this time, the RTA has updated customer information and resources to reflect amendments to the COVID-19 Regulations and continued to achieve excellent customer satisfaction ratings on the frontline to help everyone make informed renting decisions.

The RTA refocused our investment portfolio in 2020–21 to maximise earnings while financial markets around the globe recovered. This enabled the RTA to increase its earnings and regain the losses caused by the global economic effects of COVID-19 to ensure business stability and sustainability.

More changes lie ahead for the rental sector with two rental reform Bills being considered by the Queensland Government.

I'd like to take this opportunity to welcome the Honourable Leeanne Enoch MP, Minister for Communities and Housing, Minister for Digital Economy and Minister for the Arts and her team.

We also welcome the appointment of Clare O'Connor, the Director-General of the Department of Communities, Housing and Digital Economy (DCHDE). The RTA looks forward to continuing our work with the Minister and the Department to make renting work for everyone and to carry out the legislative changes.

Finally, I would like to thank the RTA staff for their magnificent work of providing ongoing support and service to Queenslanders while juggling multiple projects in difficult times. RTA staff delivered a successful office relocation, rolled out essential infrastructure upgrades and continued to transition to a new way of working. Their dedication and efficiencies are testament to the excellent leadership of CEO Jennifer Smith and the Executive Leadership Team.



**Paul Melville** Board Chair

# CEO's message

The Residential Tenancies Authority (RTA) has had a transformative year in 2020–21. As the number of Queenslanders renting continues to rise alongside a challenging rental market, it is more important than ever for the RTA to ensure we continue to provide services and support which are valued by our customers and make decisions that can sustain the RTA into the future.

In 2020–21, the RTA continued our journey to modernise and optimise our systems to deliver smart digital services. As the RTA relies heavily on voice and telephone infrastructure to provide core business services every day, we upgraded and modernised our phone system that was at end of life to ensure continuity of service to Queenslanders. With the RTA's Contact Centre receiving over 420,000 calls and conciliating more than 21,000 disputes this financial year, it is encouraging to see our focus on customer experience and satisfaction come to fruition. Customer satisfaction ratings recorded during the year far exceeded pre-set targets amidst high customer demand and evolving needs.

We also released two new RTA Web Services. Customers were quick to embrace the Change of Bond Contributors Web Service launched in August 2020, with 40% of all change of bond contributors requests now submitted via this digital channel. The Tenancy Dispute Resolution Web Service launched in January 2021 complements the online bond dispute request process that forms part of the Bond Refund Web Service.

As COVID-19 continued to impact our way of living, the RTA transitioned to collaborating with stakeholders and delivering education and information to the sector digitally. The uncertainties involved in face-to-face engagement programs and presentations have encouraged the RTA to embrace virtual channels to further our educational efforts within the sector and reach wider audiences.

Another highlight for the RTA in 2020–21 was the successful relocation of our office. This relocation enables staff to work together on one floor which has driven greater collaboration between our teams. At the same time, we also transitioned to activity-based working and updated policies and procedures to support flexible working arrangements with a focus on our employees' health, safety and wellbeing.

I am grateful for the support and dedication of the RTA staff who have continued to work tirelessly through changes to COVID-19 tenancy arrangements, essential IT system upgrades, our office relocation and have embraced our new ways of working while continuing to meet and exceed high customer demands for tenancy information and support services. I also thank the Executive Leadership Team for their innovative, flexible and personalised approach to leading our teams from strength to strength, and the RTA Board for their support and guidance, in particular Board Chair Paul Melville for his ongoing commitment to the RTA.

The Queensland rental sector is on the cusp of legislative reform with two Bills submitted to Parliament by the Queensland Government and the Member for South Brisbane Dr Amy MacMahon MP. As the statutory body that administers the legislation, the RTA will be providing updates to our customers every step of the way and supporting Queenslanders through the next phase of legislative changes.

In the months ahead, I look forward to continuing our work with the Honourable Leeanne Enoch MP, Minister for Communities and Housing, Minister for Digital Economy and Minister for the Arts and her office, and Clare O'Connor, Director-General of the Department of Communities, Housing and Digital Economy and her staff to continue making renting work for everyone.



**Jennifer Smith** Chief Executive Officer

# About us

## **Our vision and purpose**

The Residential Tenancies Authority (RTA) is Queensland's independent statutory authority that administers the *Residential Tenancies and Rooming Accommodation Act 2008* (RTRA Act). We offer a range of services to uphold fairness, integrity and balance within the residential rental sector, and empower Queenslanders to make informed renting choices.

In addition to providing tailored tenancy information, support, education and bond management services, the RTA offers a free dispute resolution service to help parties resolve tenancy issues in a cost-effective manner and avoid legal action. We also investigate alleged offences under the RTRA Act with the aim to prevent repeat offending and improve compliance.

With the rental landscape shifting rapidly in response to the COVID-19 pandemic, the RTA has continued to monitor and research residential rental data and trends. We have strengthened our relationships with key stakeholders and industry sector bodies, allowing us to proactively identify the challenges our customers face, tailor our services to best serve their needs and concerns and make renting work for everyone.

The RTA is governed by a Board of Directors, appointed by the Queensland Parliament's Governor in Council, and is responsible to the Minister for Communities and Housing, Minister for Digital Economy and Minister for the Arts, the Honourable Leeanne Enoch MP.

## **Our objectives and strategies**

The RTA's Strategic Plan 2019–23 outlines four strategic objectives that guide our organisation, including our people and investment in projects and initiatives. We aim to provide smart digital services, improve business efficiency, build a customer-focused workforce and ensure customers value our services. Our Strategic Plan reinforces our commitment to delivering excellent customer services and experiences, and provides clear direction and performance indicators to becoming a customer-centric organisation. It also demonstrates our commitment to respect, protect and promote human rights in our decision-making and actions.

The RTA contributes to the Queensland Housing Strategy 2017–2027, a 10-year framework led by the Queensland Government, to create better housing pathways and help every Queenslanders access a safe, secure and affordable home.

## **Our contribution to community objectives**

The RTA is committed to supporting the Queensland Government's objectives for the community – *Unite and Recover* by backing our frontline services and providing easy to access services to support the residential rental sector.

# Our operations

## Contact Centre phone enquiries

2016–17	2017–18	2018–19	2019–20	2020–21
413,775	401,069	360,399	426,615 <sup>^</sup>	<b>423,221*</b>

<sup>^</sup>Includes 30,786 COVID-19 hotline enquiries

<sup>\*</sup>Includes 7,071 COVID-19 hotline enquiries

## New bond lodgements <sup>1</sup>

2016–17	2017–18	2018–19	2019–20	2020–21
276,448	272,939	267,210	268,188	<b>238,099</b>

## Number of bonds held <sup>2</sup> (30 June)

2016–17	2017–18	2018–19	2019–20	2020–21
582,052	607,053	621,960	638,481	<b>631,545</b>

## Value of bonds <sup>3</sup> (\$'m 30 June)

2016–17	2017–18	2018–19	2019–20	2020–21
815.56	855.58	900.8 <sup>^</sup>	943.4	<b>971.0</b>

<sup>^</sup> Figure updated due to the definition of unclaimed bond monies being redefined

## Conciliated disputes <sup>4</sup>

2016–17	2017–18	2018–19	2019–20	2020–21
16,566	16,657	17,627	19,882 <sup>^</sup>	<b>21,163*</b>

<sup>^</sup> Includes 1,791 COVID-19 related disputes

<sup>\*</sup>Includes 1,080 COVID-19 related disputes

## Investigations finalised <sup>5</sup>

2016–17	2017–18	2018–19	2019–20	2020–21
815 (Received 683 requests)	1,018 (Received 1,020 requests)	1,159 (Received 1,040 requests)	1,050 (Received 925 requests)	<b>567*</b> (Received 490 requests)

<sup>\*</sup> Reduction in the number of investigations requested and therefore finalised is a result of process efficiencies and education delivered in the early stages of an investigation.

## Website visits

2016–17	2017–18	2018–19	2019–20	2020–21
2,494,263	2,219,609	2,270,595	2,939,273	<b>3,123,023</b>

## Operating deficit/surplus (\$'m)

2016–17	2017–18	2018–19	2019–20	2020–21
0.7	(7.9)	8.6	(43.3)	<b>35.3</b>

1. Includes new bond lodgements for general tenancies and rooming accommodation.

2. Includes bonds held for general tenancies and rooming accommodation.

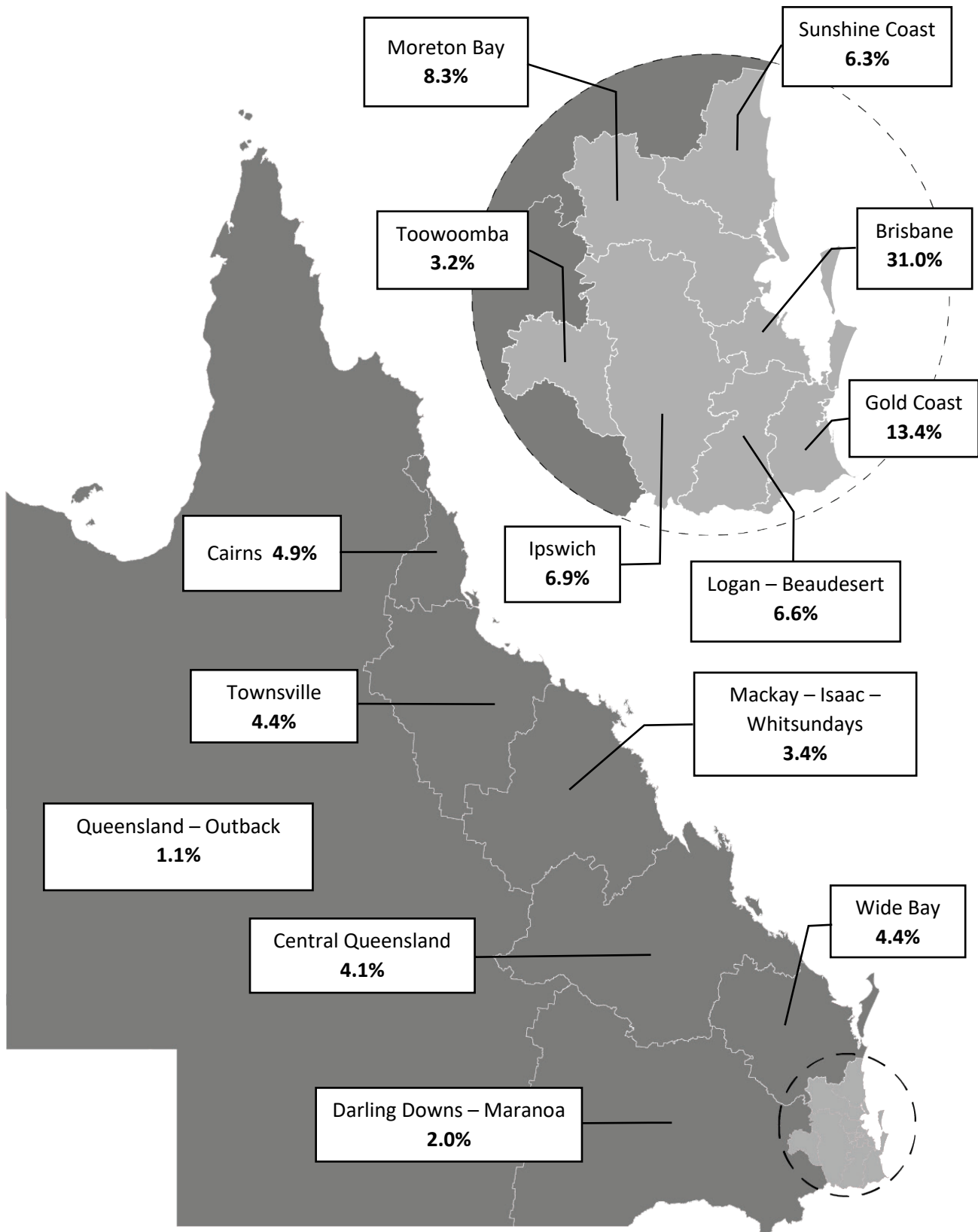
3. Excludes unclaimed bond monies.

4. Methodology changed in 2019–20 to more accurately reflect dispute resolution requests that proceeded to conciliation in the last five years. This excludes dispute resolution requests where parties subsequently withdrew from the conciliation process or were unable to be contacted.

5. Prior to 2017–18, we recorded the number of commenced investigations into non-compliance in the financial year.

# Our customers

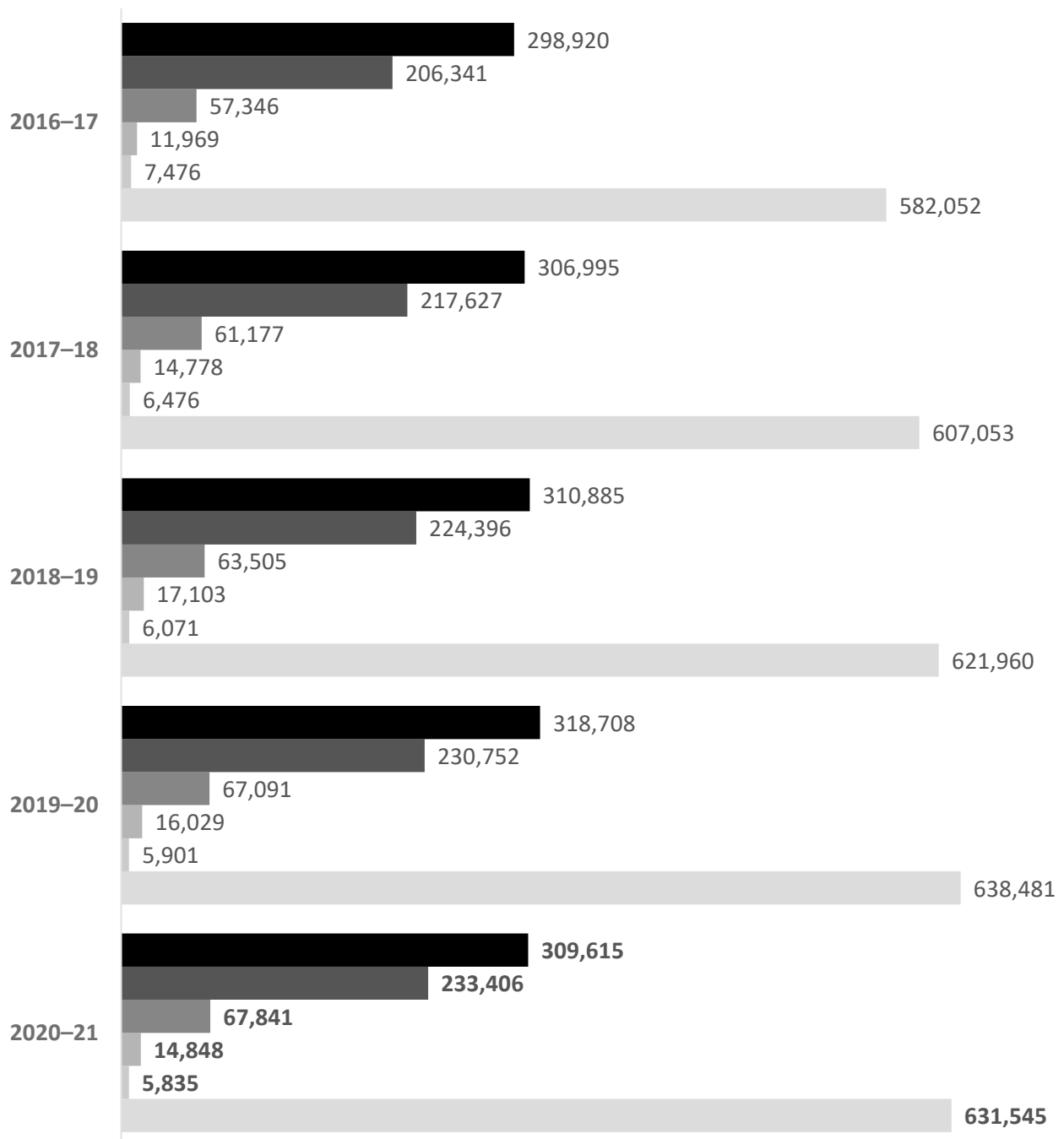
Data below is based on bonds held by the RTA as at 30 June 2021. Locations of major regions in Queensland below are based on Statistical Area Level 4 (SA4s)<sup>1</sup>.



1. SA4s are the largest sub-state regions in the main structure of the Australian Statistical Geography Standard (ASGS) and are designed for the output of a variety of regional data by the Australian Bureau of Statistics (ABS), representing labour markets or groups of labour markets within each state and territory.

## Total bonds held by dwelling type

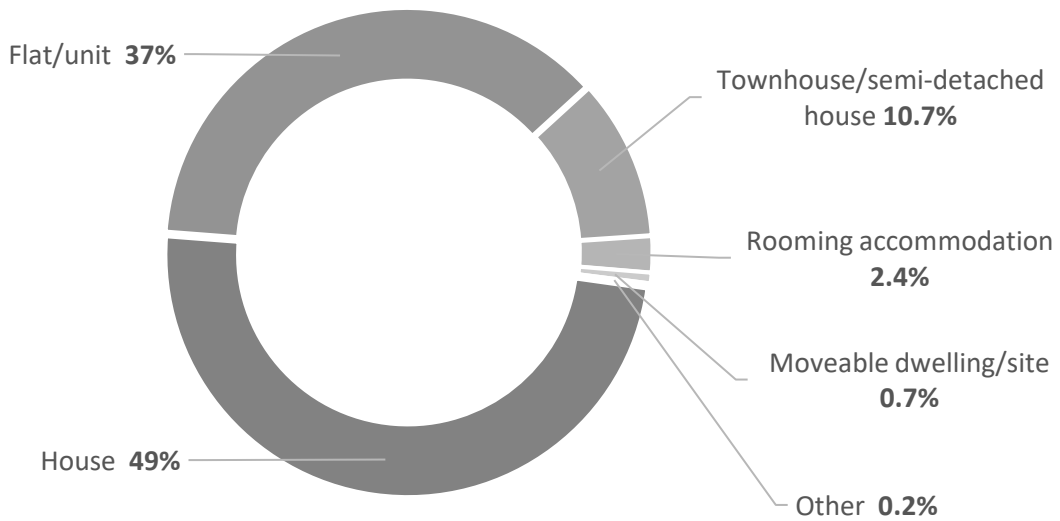
The data below shows the total bonds held per dwelling type in the June quarter of each financial year between 2016–17 and 2020–21.



- Houses
- Units
- Townhouses
- Rooming accommodation
- Other dwelling types
- Total

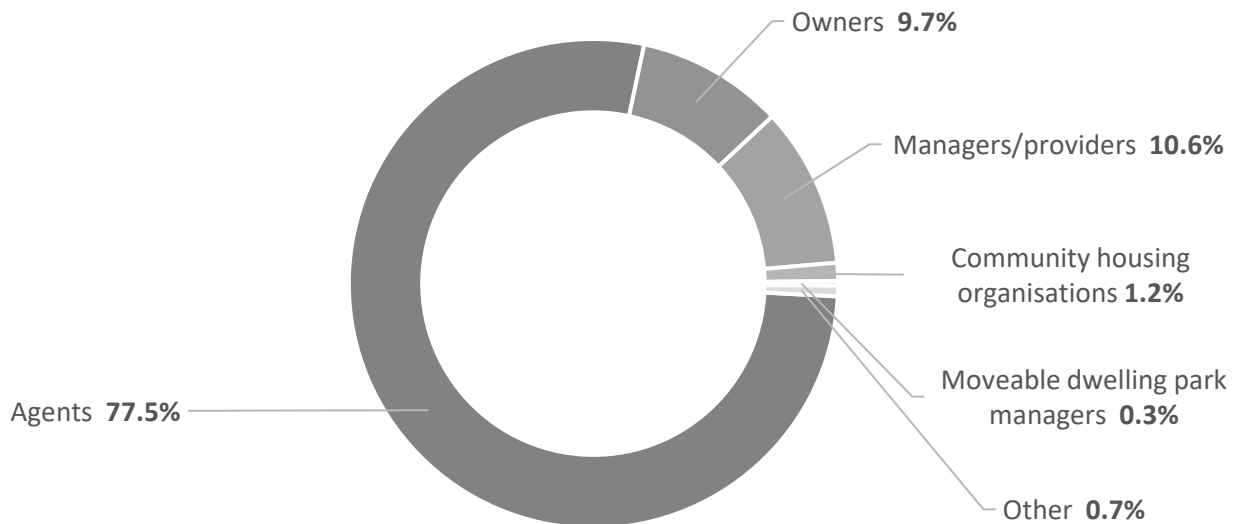


## Dwelling type



**96.7%** of dwellings are houses, flats and townhouses

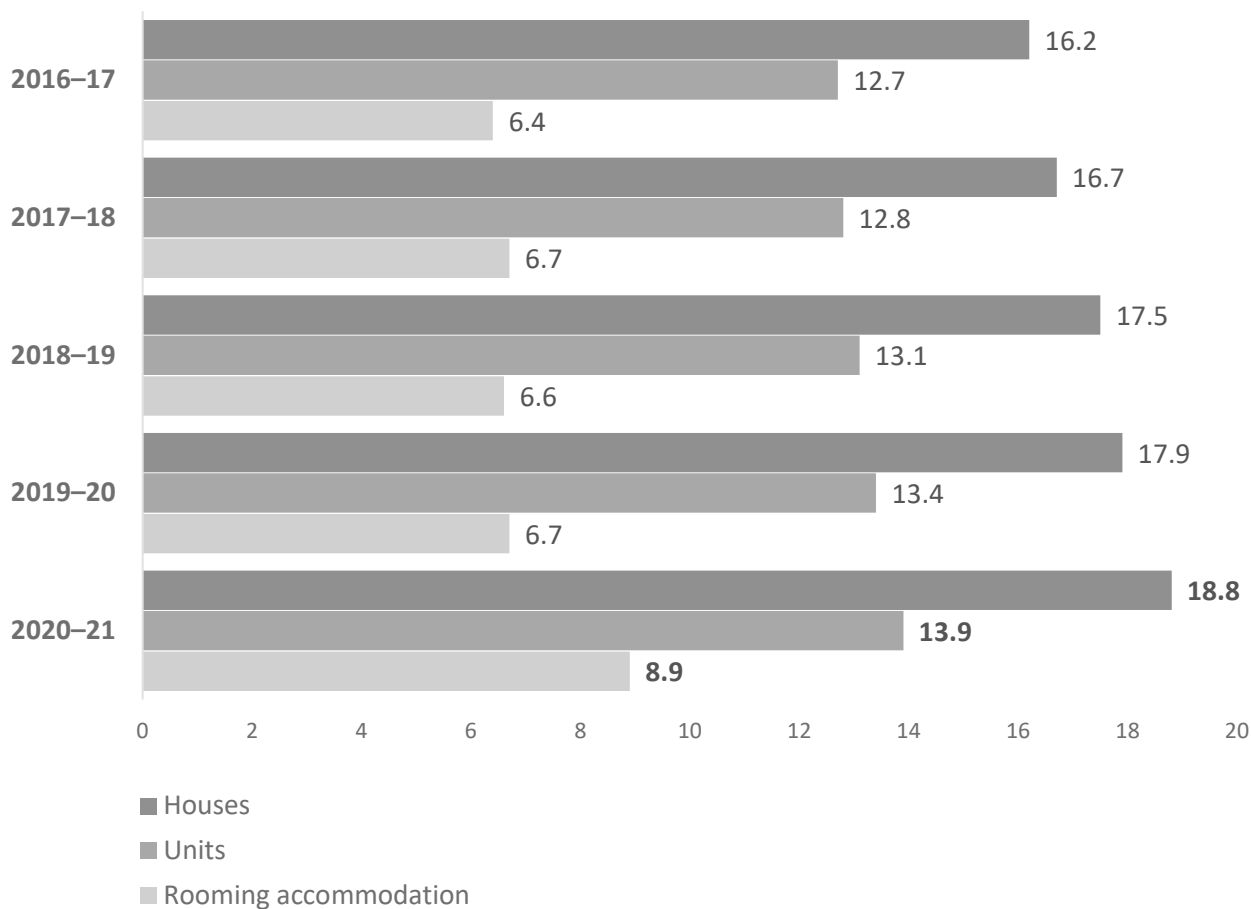
## Who manages bonds?



Approximately **88.1%** of rental properties are managed by real estate agents/property managers

### Median length of tenancies (months)

The median length of tenancies in Queensland between 2016–17 and 2020–21.



### Weekly median rents

The median weekly rents for all dwelling types based on new bonds lodged in the June quarter of each financial year between 2011–12 and 2020–21.

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
\$350	\$350	\$350	\$350	\$350	\$360	\$360	\$365	\$370	<b>\$385</b>

## Median rents for Queensland and major centres

Data below is based on new bonds lodged with the RTA in the June quarters of 2020 and 2021. Locations of major centres in Queensland below are based on Significant Urban Areas<sup>1</sup>.

Location	2 bedroom flat/unit			3 bedroom house		
	2020	2021	% change	2020	2021	% change
<b>Brisbane</b>	\$400	<b>\$405</b>	1.25%	\$390	<b>\$400</b>	2.6%
<b>Bundaberg</b>	\$240	<b>\$250</b>	4.2%	\$300	<b>\$320</b>	6.7%
<b>Cairns</b>	\$305	<b>\$320</b>	4.9%	\$390	<b>\$410</b>	5.1%
<b>Emerald</b>	\$233	<b>\$250</b>	7.3%	\$300	<b>\$335</b>	11.7%
<b>Gladstone – Tannum Sands</b>	\$170	<b>\$200</b>	17.6%	\$236	<b>\$275</b>	16.5%
<b>Gold Coast – Tweed Heads</b>	\$430	<b>\$450</b>	4.7%	\$495	<b>\$520</b>	4.8%
<b>Gympie</b>	\$220	<b>\$230</b>	4.5%	\$300	<b>\$310</b>	3.3%
<b>Hervey Bay</b>	\$270	<b>\$280</b>	3.7%	\$330	<b>\$350</b>	6.1%
<b>Kingaroy</b>	\$215	<b>\$225</b>	4.7%	\$275	<b>\$285</b>	3.6%
<b>Mackay</b>	\$265	<b>\$290</b>	9.4%	\$360	<b>\$380</b>	5.6%
<b>Maryborough</b>	\$205	<b>\$210</b>	2.4%	\$280	<b>\$290</b>	3.6%
<b>Mount Isa</b>	\$230	<b>\$250</b>	8.7%	\$380	<b>\$420</b>	10.5%
<b>Rockhampton</b>	\$220	<b>\$250</b>	12.0%	\$290	<b>\$320</b>	10.3%
<b>Sunshine Coast</b>	\$375	<b>\$400</b>	6.7%	\$460	<b>\$490</b>	6.5%
<b>Toowoomba</b>	\$256	<b>\$265</b>	3.5%	\$320	<b>\$335</b>	4.7%
<b>Townsville</b>	\$265	<b>\$280</b>	5.7%	\$320	<b>\$340</b>	6.3%
<b>Warwick</b>	\$215	<b>\$220</b>	2.3%	\$275	<b>\$280</b>	1.8%
<b>Yeppoon</b>	\$290	<b>\$310</b>	6.9%	\$350	<b>\$380</b>	8.6%
<b>Queensland</b>	\$360	<b>\$380</b>	5.6%	\$360	<b>\$380</b>	5.6%

1. Australian Bureau of Statistics. (2016) Significant Urban Areas. Australian Statistical Geography Standard (ASGS) (ABS Cat. 1270). The Significant Urban Area (SUA) structure of the Australian Statistical Geography Standard (ASGS) represents significant towns and cities of 10,000 people or more.