



**Residential Tenancies Authority**  
Annual Report 2007/08



# Our Vision

## Working together to support and enhance an evolving rental sector.

### About the RTA

The Residential Tenancies Authority (RTA) is a self-funded regulatory body committed to providing targeted services to meet the diverse needs of Queensland's residential rental sector.

The RTA's core responsibility is to administer the *Residential Tenancies Act 1994* (Tenancies Act) and the *Residential Services (Accommodation) Act 2002* (Accommodation Act).

The Tenancies Act outlines the rights and responsibilities of tenants, lessors (landlords), property managers and caravan park managers involved in residential renting in Queensland. The Tenancies Act sets out what tenants, lessors, property managers and park managers can and cannot do, how to address issues that may arise during a tenancy and explains what measures can be taken if a party or parties to a tenancy breach the provisions of the law on their agreements. The Tenancies Act does not apply to holiday lettings, retirement villages or manufactured homes.

The Accommodation Act outlines the rights and responsibilities of residents and service providers involved in the residential services sector comprising boarding houses, supported accommodation, aged persons' rental complexes and student accommodation. Generally, accommodation is defined as a residential service if:

- its purpose is to provide accommodation in return for rent of one or more rooms
- it allows at least four residents to occupy its rooms
- either residents share facilities outside of the room (e.g. bathroom) or residents are provided with a food or personal care service.

In the administration of these Acts, the RTA's dedicated staff work with a range of groups in the rental sector including tenants, residents, lessors, property managers, caravan park managers, residential services providers, community housing groups, industry bodies and the Queensland Government.

### Our Values

The RTA conducts its business according to a core set of values:

- **Client focus:** We develop and enhance our services to meet the needs of our clients.
- **Organisational leadership:** We practise consultative leadership and value our staff contribution to support innovation and achieve collective goals.
- **Governance:** We ensure our processes and actions are transparent and open to public scrutiny.
- **Collaboration:** We are committed to working in a cooperative way with our stakeholders and business partners for the benefit of the community.
- **Impartiality:** We are honest and ethical in our interactions with all parties.
- **Respect:** We value diversity and treat all people with dignity and respect.

### Our Role

The RTA's main functions include:

- tenancy information
- rental bond management
- dispute resolution
- investigation and prosecution of offences under the Acts
- community education
- industry research and data
- monitoring and review of the legislation
- policy advice to the Minister and government.

As a Queensland statutory authority, the RTA is governed by a Board of Directors (see page 12) with knowledge and experience relevant to the Queensland residential rental sector. The Chairperson and six Directors are appointed by the Governor-in-Council for three year terms. The RTA is part of the portfolio of the Minister for Public Works, Housing and Information and Communication Technology (see page 14 for an organisational chart).

The RTA's revenue is sourced primarily from investment of rental bonds lodged in accordance with legislation.

### About this Annual Report

Covering all aspects of operations, the RTA Annual Report 2007/08 presents key performance information in a clear, concise and reader-friendly manner. This report contains a comprehensive record of the RTA's activities and achievements for 2007/08 and summarises key priorities and challenges for the year ahead.

In line with the RTA Strategic Plan 2007-2010, this report presents the RTA's performance according to its three priorities:

- **Our Clients**
- **Our Sector**
- **Our Organisation.**

The RTA is committed to providing quality corporate reporting to meet the expectations of our stakeholders. In order to benchmark our performance against best practice, the development of this report is guided by the criteria set by the Australasian Reporting Awards. We are proud to announce that the RTA was presented with its sixth consecutive Gold Award in the Australasian Reporting Awards for the 2006/07 Annual Report, continuing our ongoing success in quality reporting to our stakeholders.

To obtain additional copies of this report, find out more about its contents or to provide your feedback, please turn to the back cover.

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An insight into the role of the RTA in providing services for all clients involved in the residential rental sector.

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Learn how the RTA supports the rental sector through education, research, consultation and policy advice.

## Our Organisation

Discover the people, systems and processes supporting client service delivery and view an analysis of the RTA's financial position.

## Financial Statements

Full financial statements for 2007/08.

## RTA Publications

View a comprehensive list of the RTA's Forms, Fact Sheets and other publications available to clients.

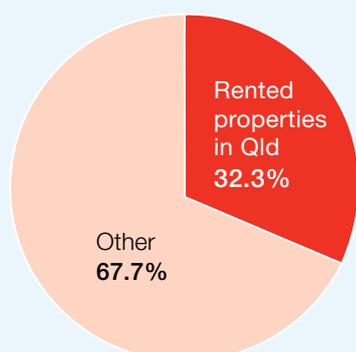
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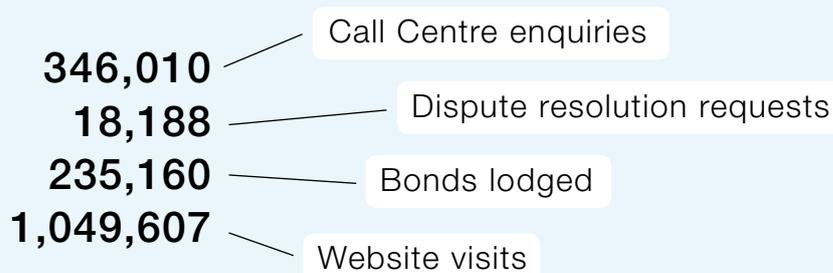
## Who are our clients?

The RTA is here to assist all Queensland tenants, residents, lessors, property managers, caravan park managers and residential service providers. According to the Australian Bureau of Statistics 2006 Census of Population and Housing there were 452,596 rented properties in Queensland, representing 32.3% of the dwellings for which tenure was recorded.



Turn to page 8 for more information on Queensland's residential rental sector.

## What's the demand for RTA services annually?



Turn to page 18 for more information on the RTA's full range of client services.

## Financial summary

Financial summary	2007/08	2006/07	%	
	\$'000	\$'000	Change	
Operating revenue	23,263	30,571	-23.9%	↓
Operating expenses	24,319	21,323	14.1%	↑
Total assets	490,548	431,746	13.6%	↑
Total liabilities	439,790	380,702	15.5%	↑
Value of bonds held	432,216	374,421	15.4%	↑

Turn to page 2 to view the RTA's highlights for 2007/08.

# 2007/08 Highlights

## Our Clients

### Client service records broken

The RTA continued to demonstrate excellence in client service delivery in 2007/08. This financial year saw an increased demand for the RTA's client services, with record numbers of bond transactions, client enquiries and website visits. Record figures were also achieved in disputes finalised (page 22). Despite this increased demand, the RTA client satisfaction remains very high (page 25).

### RTA's e-Services success

On 27 August 2007, RTA e-Services was launched, making the management of rental bonds easier than ever for our clients by allowing them to self-manage their bonds electronically. The first phase of e-Services is already proving to be a success amongst real estate agents, caravan park owners and community housing groups, with more service enhancements planned for the future (page 27).

## Our Sector

### Review of Acts

The RTA continued its comprehensive review of current legislation with the drafting of amendments to the Acts based on public consultation on sector issues (page 30).

### Priority groups receive assistance

In 2007/08 the RTA allocated \$148,957 to 10 community organisations through the RTA's Community Education Public Grants Scheme with 40% of funding to support culturally and linguistically diverse tenants and 30% of funding to support indigenous tenants. This RTA initiative provides vital funding for education projects across the state, promoting better understanding of rental legislation (page 33).

## Our Organisation

### New business continuity site

In 2007/08, the RTA established a business continuity site to be employed in the event of an emergency resulting in the RTA's Herschel Street offices being unavailable. With comprehensive backup facilities available at Eight Mile Plains, the RTA can provide core services in the event of a disaster. The development of this site allows the RTA to take advantage of advanced technologies for improved operational sustainability and restore client services promptly (page 42).

### RTA achieves excellence in records management

In mid 2008, the RTA was presented with the Records Management Award for Excellence in Records Management for 'outstanding group achievement in records and information management' by the Records Management Association of Australia. This award was proudly accepted by the RTA's Recordkeeping Project Team, who established new recordkeeping practices throughout the year, laying the foundations for best practice recordkeeping at the RTA and raising the profile of recordkeeping throughout the organisation (page 43).



Visit our website to view the RTA's key milestones and achievements since 1989.  
[www.rta.qld.gov.au](http://www.rta.qld.gov.au)



# Five Year Performance Summary

		2007/08	2006/07	2005/06	2004/05	2003/04
<b>Our Clients</b>						
Call Centre enquiries	Number	<b>346,010</b>	327,085	309,145	286,447	287,794
Bond lodgements	Number	<b>235,160</b>	229,244	221,601	218,938	218,018
Number of bonds held	Number (at 30 June)	<b>399,533</b>	382,009	365,667	350,201	332,098
Value of bonds held <sup>1</sup>	\$'m (at 30 June)	<b>432.2</b>	374.4	329.3	293.2	259.0
Investigations commenced	Number	<b>666</b>	746	557	580	592
Requests for dispute resolution	Number	<b>18,188</b>	16,877	15,182	14,299	14,102
Client satisfaction results	Rating/10	<b>8.2</b>	n/a	7.9	n/a	8.2
Website user sessions	Number	<b>1,049,607</b>	950,642	808,697	556,362	352,973

## Our Sector

Briefing notes and ministerial correspondence	Number	<b>133</b>	179	134	107	134
Responses to statistical enquiries	Number	<b>318</b>	352	307	195	202
Grant funding for Community Education	\$'000	<b>80<sup>2</sup></b>	159	99 <sup>3</sup>	136	122
TAAS(Q) funding <sup>4</sup> (RTA contribution)	\$'m	<b>3.2</b>	3.2	3.1	3.1	2.9

## Our Organisation

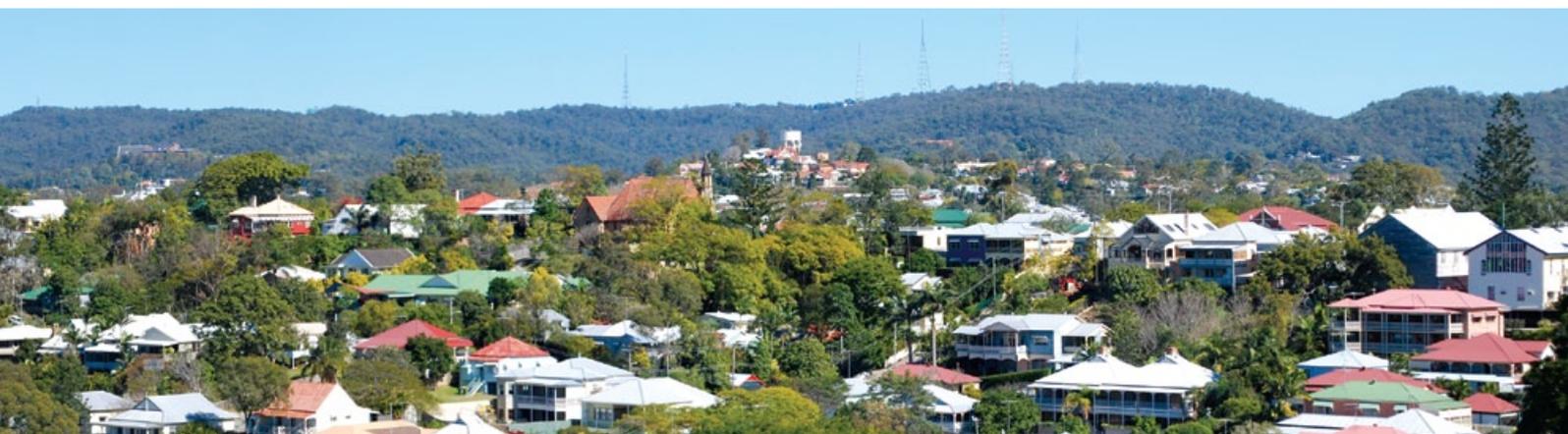
Employees (full time equivalent)	Number	<b>150</b>	143	133	119	118
Staff training hours	Total hours	<b>3,365</b>	2,896	3,972	2,655	2,227
Client and stakeholder reporting (as indicated in Annual Report awards)	Australasian Reporting Awards (ARA)	<b>Gold</b>	Gold	Gold	Gold	Gold
Quality assurance certification	Achieved/not achieved	<b>achieved</b>	achieved	achieved	achieved	achieved
Operating surplus/deficit	\$'m	<b>(1.1) deficit</b>	9.2 surplus	10.2 surplus	5.5 surplus	1.4 surplus
Accumulated surplus	\$'m	<b>36.8</b>	30.6	25.3	26.1	20.6

1 Excludes unclaimed bond money and Australia Post settlements.

2 Additional funds committed in 2007/08 will be paid in 2008/09.

3 Additional funds committed in 2005/06 were paid in 2006/07.

4 Also funded by Department of Housing.



# Performance Overview

Key strategic priorities	Objectives	Targets and comments for 2007/08
<b>Our Clients</b> Provide quality services to meet the diverse and evolving needs of Queensland's residential rental sector (pages 18–27).	<b>Service Quality</b> Continually achieve high standards of quality in service delivery in terms of relevance, accuracy, timeliness and accessibility.	Answer 90% of calls within 2 minutes. Process 95% of Australia Post refunds within 15 minutes. Process 85% of non-Australia Post refunds within 2 working days. Achieve take up of direct credit for all refunds of 49%. Resolve 65% of disputes through participation in conciliation. Finalise 70% of disputes within 28 days of receipt. Successfully finalise 85% of investigations. Finalise 90% of investigations within 6 months of commencement. Undertake fourth biennial client satisfaction survey.
	<b>Service Awareness and Utilisation</b> Continue to position RTA as the key information provider to the residential rental sector ensuring that current and potential clients are aware of and can easily access RTA's services.	Implement the first phase of e-Services enabling client access to online bond administration services and commence development of second phase. Improve information on the RTA website for all stakeholders to assist in the prompt resolution of disputes. Implement strategies to promote awareness and encourage access to the RTA's services.
<b>Our Sector</b> Support and enhance effective legislative and policy frameworks and collaborate with stakeholders to sustain an evolving residential rental sector (pages 28-35).	<b>Regulation</b> Regulate the sector through a policy framework which considers the rights and responsibilities of all parties and its impact on the sector.	Subject to Cabinet approval, commence drafting Amendment Bill to address issues identified in the reviews of the Tenancies and Accommodation Acts.
	<b>Engagement</b> Engage with stakeholders to identify emerging trends and improve understanding of the issues affecting the residential rental sector.	Engage with sector stakeholders and maintain quality consultative processes. Continue to work with other government agencies on issues relevant to the residential rental sector.
	<b>Support</b> Support the sector through education, industry analysis and funding initiatives.	Maintain high quality and regular statistical reporting and analysis. Undertake a program of Outreach and education activities with a focus on regional areas. Conduct a new funding round for the Community Education Public Grants Scheme. Provide funding of \$3.2m for affordable housing initiatives.
		Provide funding of \$3.2m for the continued operation of the TAAS(Q) program to provide community based tenancy information and advice.
<b>Our Organisation</b> Continue to build an innovative and flexible organisation undertaking accountable and sustainable operations in a healthy and motivational work environment (pages 36-46).	<b>Our People</b> Build a strong organisation based on sound planning and leadership while maintaining a skilled, service-oriented and motivated workforce.	Ensure a smooth transition for RTA staff to new work arrangements while maintaining parity of salary and working conditions with Queensland public sector. Review staff survey methodology and implement outcomes of review.
	<b>Our Environment</b> Support whole-of-government initiatives for environmental sustainability.	Continue to implement environmentally friendly initiatives such as waste and energy reduction and maintain organisational awareness.
	<b>Our Business Operations</b> Continually improve RTA's systems and processes to support the achievement of business outcomes.	Provision of a business continuity site to house RTA staff in the event of an emergency that results in the main office building being unavailable. Develop and implement an RTA Risk Management Framework.
	<b>Our Finances</b> Maintain financial accountability and sustainability.	Achieve target of 7.25% return on investment.

Were these targets achieved?	Aims for 2008/09
Answered 89.2% (308,554) calls within 2 minutes, almost meeting target (page 20).	Achieve 90% of calls answered within 2 minutes.
Processed 96.8% of Australia Post bond refunds from across Queensland within 15 minutes, exceeding target (page 21).	Maintain 95% of Australia Post refunds processed within 15 minutes.
Processed 79.3% of non-Australia Post refunds within 2 working days, not meeting target (page 21).	Achieve 85% of non-Australia Post refunds processed within 2 working days.
Achieved delivery of 49.9% of all bond refund transactions via direct credit, exceeding target (page 21).	Achieve take up of direct credit for all refunds of 50%.
Resolved 66.1% of disputes through participation in conciliation, exceeding target (page 22).	Maintain 65% of disputes resolved through participation in conciliation.
Finalised 81.9% of disputes within 28 days of receipt exceeding target despite a significant increase in the number of disputes processed (page 23).	Maintain 70% of disputes finalised within 28 days of receipt.
Resolved 86.8% of investigations successfully, exceeding target (page 24).	Maintain 85% of investigations being successfully resolved.
Finalised 90.9% of all investigations within 6 months, meeting target (page 24).	Maintain 90% of investigations finalised within 6 months of commencement.
Achieved overall client satisfaction result of 8.2 out of 10 (page 25).	Develop and implement an action plan based on key areas for improvement identified in the 2008 Client Satisfaction Survey.
Successfully launched e-Services (Phase 1) and commenced design and development of e-Services (Phase 2) (page 26).	Implement e-Services (Phase 2) enabling client access to additional online bond administration services such as e-Lodgements.
Ongoing website enhancements have improved client usability and accessibility with patronage increasing by 10.4% with 1,049,607 visits to the site throughout the year (page 26).	Maintain information on the RTA website for all stakeholders to enhance client usability and accessibility.
Successfully implemented strategies to raise awareness of the RTA and its services amongst targeted client group, including public relations activities and media advertising (page 27).	Continue to implement strategies to promote awareness and encourage access to the RTA's services.
Obtained Cabinet approval to prepare draft legislation, amending the <i>Residential Tenancies Act 1994</i> and the <i>Residential Services (Accommodation) Act 2002</i> and commenced drafting of the new Residential Tenancies and Rooming Accommodation Bill 2008 which will amend and replace existing legislation (page 30).	Commence implementation of the new Residential Tenancies and Rooming Accommodation Bill 2008, following its passage through Parliament and draft and introduce the <i>Residential Tenancies and Rooming Accommodation Regulation 2009</i> to support the Act.
Conducted quarterly Industry Development Forums, stakeholder working parties for legislative reviews, Outreach activities and targeted liaison (page 31).	Continue to engage with sector stakeholders and maintain quality consultative processes.
Worked with cross-government working groups on water demand management strategies, new fire safety laws and neighbour relations. Liaised with Department of Housing on options to support affordable housing initiatives (page 31).	Continue to work with other government agencies on issues relevant to the residential rental sector.
Quarterly updates of rental sector information including median rents published on website and in RTA publications. Data regularly cited in industry publications and media (page 31).	Maintain high quality and regular sector data reporting and analysis.
Conducted regional education visits to Cairns, Thursday Island, Rockhampton, Bundaberg and Hervey Bay areas. Allocated \$148,957 to 10 community organisations through the RTA's Community Education Public Grants Scheme (page 32).	Continue to undertake education activities with a focus on regional areas. Conduct a new funding round for the Community Education Public Grants Scheme.
Provided \$3.1m to the Department of Housing - \$3.0m for the Gold Coast Housing Company to increase the supply of affordable rental housing and \$0.1m to the Department for research and feasibility studies of new initiatives (page 33). Additional funding of \$0.1m was also provided to the Lady Bowen Trust.	Provide funding of \$6.1m for affordable housing initiatives.
Funding of \$3.2m provided for the community based TAAS(Q) program (page 33).	Provide funding of \$3.3m for the continued operation of the TAAS(Q) program to provide community based tenancy information and advice.
Successfully implemented the Residential Tenancies Employing Office (RTEO) with 100% of affected employees accepting new employment with the RTEO, returning staff to the state industrial jurisdiction and thereby ensuring the ongoing protection of their existing work entitlements and conditions (page 38).	Ensure ongoing parity of salary and working conditions for RTEO staff by participating in the negotiations for the 2009 State Government Certified Agreement.
Conducted 2008 Workforce Attitudinal Survey and received an exceptional 88% return rate from RTA staff with strongly positive ratings (page 38).	Conduct a review of the RTA Performance Development Scheme and Policy and implement outcomes of the review.
Maintained waste and energy reduction activities including water and paper recycling and implemented educational activities on environmental issues for staff and the public (page 41).	Continue to implement environmentally friendly initiatives such as waste and energy reduction and maintain organisational awareness.
Established new Business Continuity Site to cater for an emergency should the RTA's main building not be accessible, enabling the RTA to re-establish operations and services (page 42).	Continue redevelopment of RTA Intranet for improved internal communications and information management.
Successfully introduced RTA's Risk Management Framework including documented policy and a Risk Register (page 15).	Develop and review the required component documents of the RTA Corporate Governance Framework.
Achieved investment return of 5.25% despite a downturn in world markets (page 43).	Achieve target of 7.75% return on investment.

# Chair's Message



A genuine dedication to quality of service is supported by the RTA's culture of innovation and continuous improvement.

The RTA has developed policies and procedures which have grown the capacity of the organisation to better fulfil the needs of our stakeholders.

## **Strong growth creates challenges**

The current economic environment is generating unique pressures on the state's private rental market, with steady growth in the demand for rental housing and low vacancy rates. The number of rental bonds held during the year increased by 4.6%.

Over 30% of Queensland's population is living in rental accommodation and with growth expected to continue, it is vital the RTA continues to support the sector by responding proactively to these emerging needs.

The ability of the RTA to meet the demands of our sector is dependent upon our capacity to generate sufficient revenue, which is derived entirely from the returns on our investments. In the current period of unprecedented investment uncertainty, the RTA will continue to monitor its investment strategies and returns in conjunction with the Queensland Investment Corporation.

The RTA will continue to build capacity to ensure that we maintain success in our core business areas: administering rental bonds, providing tenancy information and community education, offering dispute resolution and investigating breaches of our legislation.

This 2007/08 Annual Report celebrates a very successful year for the RTA. As Queensland's residential rental sector continues to grow and change, the RTA has delivered on its commitment to 'best practice' client service for the residential rental sector.

## **New solutions and new legislation**

Today, our clients have a diverse range of service needs and expectations. In order to successfully accommodate these needs and growing demand for services, it is essential that the RTA continues to maintain a flexible and innovative approach to meeting client expectations.

Examples of innovation include the successful launch and ongoing enhancements to the e-Services online bond management facility and initiation of a Dispute Resolution teleconferencing pilot.

Legislative review was again a major focus on the RTA's agenda this year. After extensive reviews of the existing legislation including statewide consultation with our stakeholders in 2006/07, the policy focus for much of 2007/08 was on gaining Cabinet approval to progress legislative changes to both the *Residential Tenancies Act 1994* and the *Residential Services (Accommodation) Act 2002*.

The proposed new legislation was developed as a result of this year's extensive review process and will better meet the needs of our growing sector. The RTA also worked closely with other government entities to further strengthen the legislative frameworks around rental arrangements.

## **Positive strategic direction**

The RTA's 2007-2010 Strategic Plan continues to guide the RTA, identifying key challenges and strategies that will enhance organisational sustainability.

The plan continues to build on the existing framework of 'Our Clients, Our Sector and Our Organisation'. Following the same structure, this annual report provides a clear snapshot of organisational performance against performance indicators outlined in the plan.

## **Excellence in reporting**

This year the RTA was acknowledged again with its sixth consecutive Gold Award at the Australasian Reporting Awards for the 2006/07 Annual Report. This achievement highlights a commitment by the RTA to high standards of reporting, transparency and accountability at all times, a standard with which the RTA has become synonymous.

Each year our Annual Report details what the RTA has achieved over the past 12 months and what we intend to accomplish the following year.



## **Acknowledgement**

I also wish to thank the RTA Board, the General Manager, Mr Fergus Smith, the RTA's executive leadership team and the staff of the RTA, who have demonstrated, through their hard work, a commitment to growing a flexible and innovative organisation and providing ongoing support to our clients and the sector.

The Board and I are confident that the RTA will continue to build on its successes in the coming year.

A handwritten signature in black ink, reading 'John Battams'.

**John Battams**  
Chair, RTA Board

# General Manager's Message



With significant growth and increasing pressure on the sector it is essential that the RTA provides timely and reliable support services for all clients as well as fulfil its statutory obligations.

With ongoing support from our Minister, the Hon. Robert Swarten, MP, the Chair of the Board, Mr John Battams, our Board members and all RTA staff, I am confident our organisation will continue to develop innovative solutions to the challenges ahead.

## Our Clients

### **Unprecedented demand for services**

Despite increasing demand for RTA services in 2007/08, RTA staff maintained service quality and positive client outcomes.

Over the past 12 months, the RTA's Call Centre answered over 346,000 calls (increase of 5.8% compared to 2006/07), with more than half of all calls (52.0%) answered immediately (see page 20).

Demand for bond refund and lodgement services also continued to rise with an average of 868 bond refunds finalised daily (see page 21).

There was also a 7.8% increase on the number of dispute resolution requests received during the year, taking the number of requests to 18,188. Of the disputes finalised, 81.9% were completed within 28 days (see page 23).

This year was also the first time the RTA website received more than one million visitors (see page 26) and demand for new online services such as e-Services and e-Bulletins continued.

In 2007/08 the RTA continued to grow its capacity to better support the state's residential rental sector through operational and legislative innovation.

In order to build capacity for the future, a key focus of the RTA is the further development of our capabilities to ensure greater accessibility and better services for our clients.

### **e-Services success**

On Monday 27 August, 2007, the RTA launched Phase 1 of e-Services, an online bond management facility for real estate agents, caravan park owners and community housing groups.

With the ease and convenience of online banking, e-Services has proven to be a great success with our clients with more than 60% of all RTA bonds held by the target audience now managed with the help of this facility (see page 26).

The second phase of e-Services is currently being developed and will see e-Lodgement facilities introduced by early 2009, allowing agents to lodge their bonds electronically with the RTA. Additional services, including enhanced bond transfer and refund facilities, will progressively be introduced in the future.

## Our Sector

### **Legislative review continues**

An extensive legislative review of both the Tenancies and Accommodation Acts continued throughout the year. The RTA is currently working with the Office of the Queensland Parliamentary Counsel to draft the new Residential Tenancies and Rooming Accommodation Bill 2008. This new legislation will incorporate the provisions of the existing Tenancies and Accommodation Acts and proposed amendments. It is anticipated that the new Bill will be introduced into Parliament in late 2008 and commence in 2009 (see page 30).

### **Grants help reach those most in need**

For over a decade, the RTA Community Education Public Grants Scheme has provided support to various community groups via educational projects that promote a better understanding of Queensland's rental legislation.

This valuable initiative continues to provide the RTA with an effective means of reaching high-needs, priority target groups with a genuine demand for specialised resources. To date, more than a million dollars has been provided to successful applicants (see page 33).

## Our Organisation

### **A positive workforce**

The RTA would not be able to maintain its high level of quality services without the efforts of its capable staff who work together to continually improve systems and processes.

In early 2008, the RTA undertook a Workforce Attitude Survey to assist in the maintenance of our skilled and motivated workforce. It is pleasing to see 88% of all staff participated in the survey and the overall results showed the RTA staff response to be very positive when benchmarked against the Queensland public sector.

I am proud that the RTA maintains a happy, healthy and balanced work environment in which we all work collaboratively to deliver professional and practical support to our clients (see page 39).

### **Volatile financial markets**

During the year, the RTA's investments were affected by the downturn in world markets. The RTA continued to review investment strategies with the Queensland Investment Corporation (QIC) in order to minimise the impact of these market pressures. The RTA's investment portfolio achieved a gross return on investments of 5.25%, against a target of 7.25% (page 43). Given the current volatility of financial markets, the RTA will continue to work closely with QIC to manage investment risks.

Continued strong financial management of operational expenditure has assisted the RTA to achieve only a small deficit of \$1.1million.

A handwritten signature in black ink, reading 'Fergus Smith'. The signature is fluid and cursive, written in a professional style.

**Fergus Smith**  
General Manager

# Queensland's Private Residential Rental Sector

The RTA's rental bond database provides the foundation for the most comprehensive, up-to-date and reliable source of data available on Queensland's private residential rental sector. Economists, government, property managers, analysts, developers and employers use the RTA's rental sector data extensively within the industry.

## About the data

The RTA monitors and reports on Queensland's residential rental sector through data gathered as part of its rental bond custodial function, combined with data from other official and industry sources.

Bond lodgement data has been collected under the Tenancies Act which the RTA has administered since 1995 (and previously the *Rental Bond Act 1989*). Until August 2002, rental bond data held by the RTA related mostly to general tenancies (including moveable dwellings and some boarding houses). From 23 August 2002, the RTA began administering the Accommodation Act which requires the lodgement of rental bonds for defined residential services such as private boarding houses, aged rental accommodation and supported accommodation. However, the following analysis of the residential rental sector does not include residential services as rental bonds are not commonly taken in this sector and current data does not provide a reliable analysis. See page 30 for discussion of activity within the RTA's broader sector.

Bond records provide data for a range of factors, including location of a rental property, dwelling type (including the number of bedrooms), weekly rent

paid, and the type of person managing the rental property (e.g. agent, lessor, moveable dwelling park owner). Combined with operational data, such as dates of transactions, this data is used for analysis of:

- type and location of properties rented (bonds held)
- turnover (bond lodgements and refunds)
- length of tenancies (length of time bond held)
- management of tenancies (who manages properties)
- rents charged for various types of dwellings (ranges and medians).

**The growth shown in bonds held by the RTA over time provides an indication of the level of growth in the number of properties being rented.**

## The size of the sector

As at 30 June 2008 the RTA was holding 394,183 rental bonds compared with 377,892 at 30 June 2007. Over the year, the number of bonds held grew by 16,291 or 4.3%. There was an increase in both the number of new bonds lodged and bonds refunded. The difference between the number of bonds lodged and refunded remained high, leading to a continuation of the growth in bonds held. There were 228,125 new lodgements in 2007/08 and 211,870 refunds.

During the RTA's early years of operation, much of the growth in bonds held was due to the increase in people complying with

the legislative requirement to lodge bonds. More recently, the growth in bonds is indicative of actual changes in the market influenced by a range of factors over the last five years, including the following.

## Population growth continues

In the 12 months to June 2007, Queensland's share of Australia's population growth was 28.7% or 90,500 people. At this time Queensland had an estimated population of 4.2 million or 19.9% of the nation's total population. Net interstate migration (an average net gain of 500 each week) and net gains from overseas migration accounted for 29.8% and 37.0% of growth respectively while 33.1% was from natural increase (births less deaths).

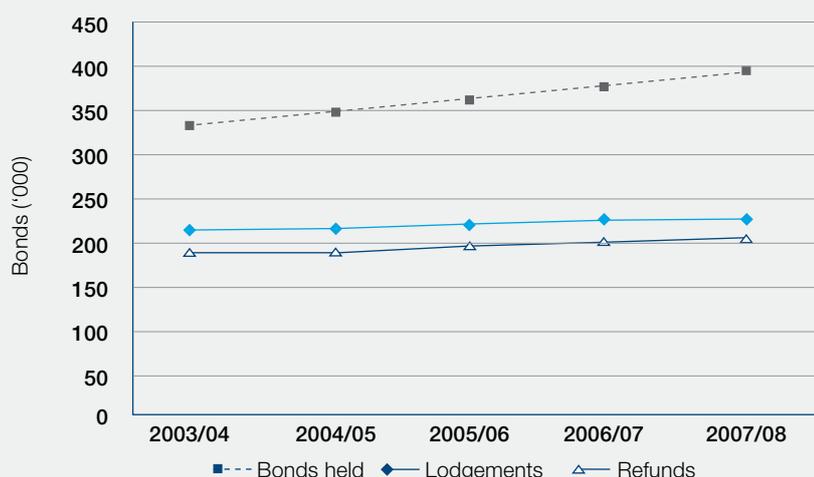
## Increased demand for rental housing

A population increase translates to greater demand for housing, and renting appears to be growing as a tenure of both choice and necessity. According to the 2006 Census of Population and Housing, there were 452,596 rented dwellings in Queensland, approximately 90,000 more than 10 years previously in 1996. The Census results showed that rented dwellings accounted for 32.3% of occupied dwellings for which tenure was known. Results from previous censuses for 1996 and 2001 showed that 31.3% and 31.5% respectively of dwellings were being rented at the time. The Census results show that Queensland continues to have the highest proportion of rented dwellings of any state. Some analysts have suggested that up to 40% of Queensland households could be renting within the next 10 years. Affordability issues of home purchase, combined with the choices made by 'Generation Y' have also contributed to a reliance on the private rental market for housing.

## A tighter market

The property 'boom' in the early 2000s was fuelled by high population growth, growth in full-time employment, low interest rates and government incentives. The effect of this 'boom' was increased property prices which flowed on to higher rental values. Some of the factors supporting steady growth in housing market activity in Queensland still remain and, with housing construction rates running below underlying demand, there is continued pressure on the housing market. Queensland's private rental market has been described as being particularly 'tight' characterised by relatively low vacancy rates and rising rents. For potential investors, changes to superannuation laws, increased property prices, rising interest

Bond lodgements, refunds and bonds held – 2003/04 to 2007/08



rates and low rent yields have meant that investing in residential rental property may have become a less attractive option.

### Housing affordability

With housing affordability remaining a hot topic over the last two to three years, it appears that the trend towards renting will continue for aspiring first home buyers as they struggle with the costs of purchasing a home. For those renters wishing to break into home ownership, the rising costs, including increasing rental prices, place financial pressure on many, particularly those on low incomes. This often means that these tenants remain in the rental market for longer periods. All of these factors contribute to the 'tight' Queensland private rental market, characterised by low vacancy rates, rising rents and longer tenancies.

### High density dwellings

In recent years there has been growth in high density dwelling types, specifically rooming style accommodation catering for students and community title schemes consisting mainly of flats, units and/or townhouses. Rooming style accommodation is used mostly by international students, particularly in their early years of study. According to Queensland Education and Training International, as of March 2008 there were 45,702 international student enrolments in Queensland which is 18.9% higher than a year earlier and 14.6% of the Australian total.

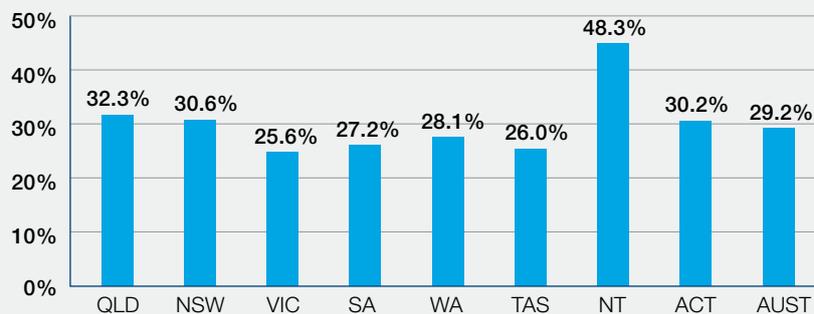
### What are people renting?

A comparison of data from the 2001 and 2006 Census showed that the number of rented flats, units and townhouses in Queensland increased from 153,709 to 160,325, an increase of 4.3%. These dwelling types represented 37.1% of all rented dwellings in 2006 compared with 37.6% in 2001. The increase in rented houses was greater than for flats, units and townhouses. There were 264,404 rented houses in 2006, 7.9% more than the 2001 figure. Houses represent 61.2% of all rented dwellings in 2006 compared with 59.9% in 2001. The second chart on the right shows the changes in the types of dwelling rented in Queensland in 2001 and 2006.

### Where are people renting?

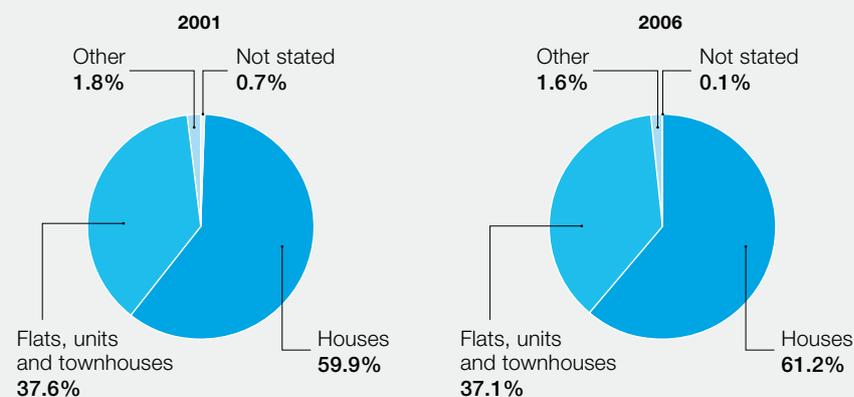
The RTA's bond data provides a guide to the distribution of rental properties throughout Queensland. The data as at 30 June 2008 is presented on the following page. As shown, 71.0% of rental properties for which the RTA was

Proportion of occupied private dwellings rented – 2006\*



\* For occupied private dwellings where tenure was known.  
Source: ABS, 2006 Census of Population and Housing.

Types of dwellings rented in Queensland in 2001 and 2006



Source: ABS, 2001 and 2006 Census of Population and Housing.

holding a rental bond were located in the south east corner of the state, in the Brisbane, Gold Coast, Sunshine Coast and West Moreton Statistical Divisions. In comparison, 66.0% of the state's population (Regional Population Growth, Australia 2006/07) and 66.8% of rented dwellings (not including those rented from the State Housing Authority) (2006 Census) were in the area.

Brisbane and Gold Coast Statistical Divisions saw the largest growth in bonds with an increase of 10,088 bonds, representing 61.7% of the total growth. Other areas experiencing noticeable growth include the Wide Bay-Burnett Statistical Division which grew by 1,228 or 6.0% and the Mackay, Northern and Far North Statistical Divisions which experienced growth of 5.9%, 5.0% and 5.1% respectively.

### Who is renting in Queensland?

Excluding the growing number of properties for which tenure is not recorded, Census results showed that there were 452,596 rented properties in Queensland, representing 32.3% of the 1,399,142 dwellings for which tenure was recorded. Of these dwellings, 89.3% were renting in the 'private' sector.

According to the 2005/06 ABS Housing Occupancy and Costs Survey, household types most likely to rent are:

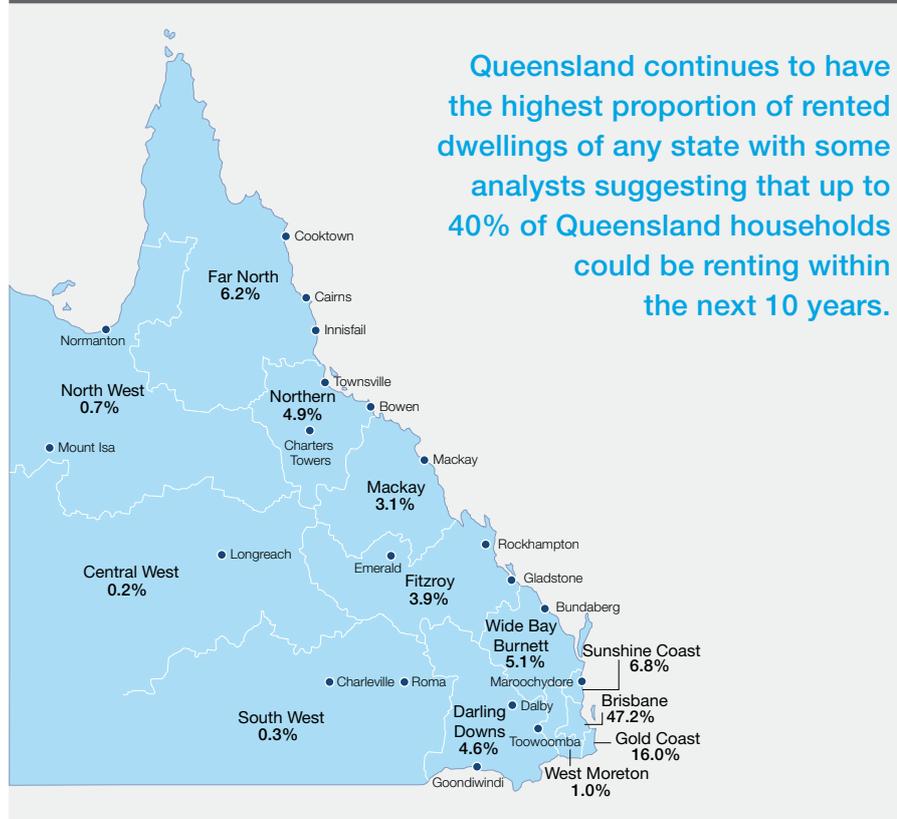
- group households which represent 10.5% of households and 78.9% are renters
- one parent and dependents households representing 14.3% of households and 64.2% are renters
- lone person households which represent 28.0% of households and 35.3% are renters. Renters aged less than 35 years make up 51.1% of lone persons households.

The household type least likely to rent is couples only aged 55 years and over, representing 15.3% of households and only 7.9% of all renters.

According to data published by the Real Estate Institute of Australia for the March 2008 quarter, at \$320 per week, Brisbane is ranked fourth highest in terms of median weekly rents for 3 bedroom houses, after Darwin, Canberra and Perth. At \$300 per week, Brisbane is ranked fifth in terms of median weekly rents for 2 bedroom other dwellings after Darwin, Canberra, Sydney and Perth.

# Queensland's Private Residential Rental Sector

Percentage of bonds held by area as at 30 June 2008

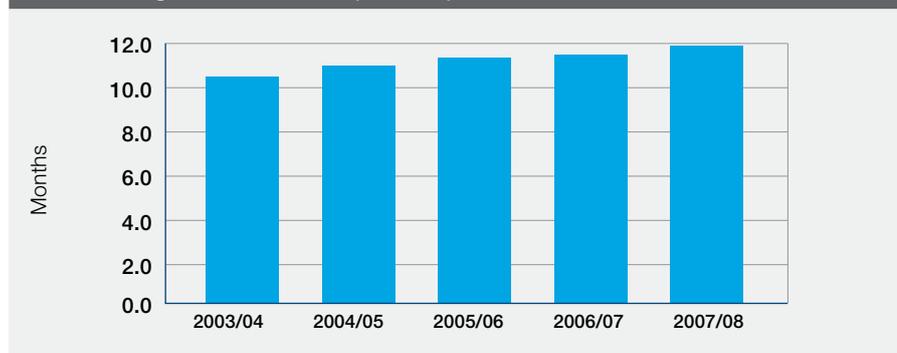


## Longer tenancies

The length of time rental bonds are held by the RTA provides an indication of the length of tenancies. Based on bonds which were paid out in 2007/08, the median length of time bonds were held was 11.9 months compared to 11.7 months in 2006/07. Further, 50.7% of bonds were finalised within 12 months (51.9% in 2006/07). The second chart on the left shows that in comparison to 2002/03, the median length of time bonds were held was 10.6 months with 56.5% being finalised within 12 months. This measure demonstrates the continuing trend towards longer tenancies that is consistent with a tight rental market. Interestingly, tenancies in houses are generally longer than those in flats/units with the median length of time bonds were held in 2007/08 for flats/units being 11.4 months (11.2 months in 06/07) compared to 12.7 months for houses (12.5 months in 06/07).

**Queensland's South East region accounts for 66.8% of all rented dwellings (2006 Census) and 71.0% of the state's rental bonds.**

Median length of tenancies (months) – 2003/04 to 2007/08



## Who manages properties?

Information recorded on bond lodgement forms received by the RTA in 2007/08 show that 87.8% of rental properties were being managed by licensed real estate agents, 11.0% were managed by lessors or owners with 1.2% being managed by other parties.

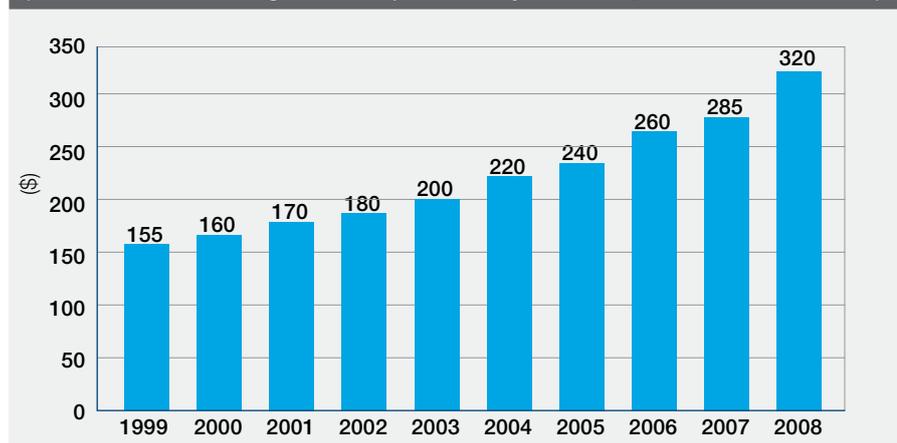
## Rents – whole of Queensland

The weekly rent applicable when a bond is lodged (generally at the beginning of a tenancy) is recorded in the RTA's rental bond database. An analysis of bond lodgement data during a period provides a guide to market rentals at the time.

The chart to the left shows rents for Queensland from 1999 to 2008. After a period of stability in rents, particularly in the mid to late nineties, there have been steady increases over the last five years, particularly since 2002. There is likely to be continued pressure on rental prices, particularly at the lower end of the market with housing affordability and vacancy rates still low. In addition to increases due to normal supply and demand factors, increasing property values and associated costs and rising interest rates often force investors to increase the rent they charge in order

Median weekly rents – Queensland

(Based on new bonds lodged in June quarter each year for flats, houses and townhouses)



to achieve an acceptable return on their investments. Already stretched renters are likely to be subjected to continued pressure.

### Rents – centres throughout Queensland

Queensland is made up of a number of housing markets based on factors such as location and dwelling type. The following charts show changes in median weekly rents in selected areas of Queensland between June 2007 and June 2008, for the two most common types of dwelling. Traditionally, the most expensive areas in terms of rents are in South East Queensland, particularly areas of Brisbane and both the Gold and Sunshine Coasts. However, rents for areas in the North and North West of Queensland have increased similarly over the last 12 months. Areas which experienced more significant rent increases for both houses and flats included Townsville, Cairns and Mt Isa. Considerable increases in rents for flats were also experienced in Gladstone and Hervey Bay, while Maryborough and Warwick had large rent increases for houses. Continued sizable rent increases in Mt Isa could be due, in part, to the burgeoning mining industry and the associated influx of workers to the area.

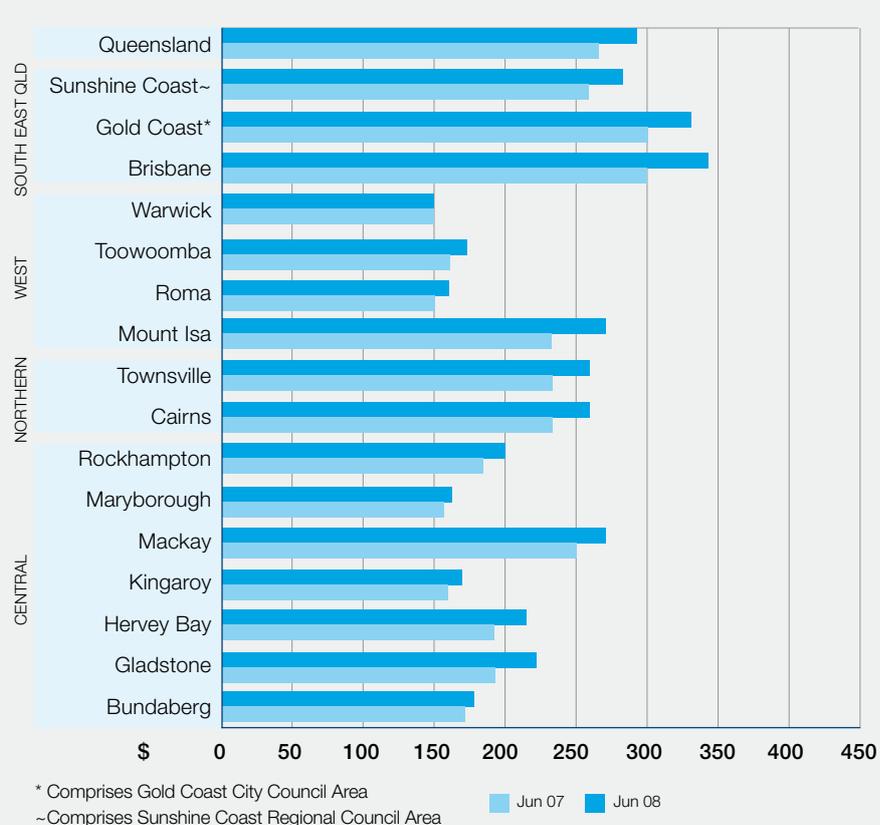
### Vacancy rates remain low

The Office of Economic and Statistical Research, Queensland Treasury, collects rental vacancy data from real estate agents throughout the state. This survey provides reliable and independent data on rental vacancies to enable analysts to complete the picture of the rental market. Vacancy rates are published for broad geographic areas each quarter. Unpublished results are available at the Local Government Area level annually. Results from the June 2008 survey show that the overall vacancy rate for rental dwellings in Queensland was 2.8%. This figure is the same as June 2007 indicating that although the market is tight, vacancy rates appear to have remained steady over the last 12 months. Brisbane had the lowest vacancy rates with inner Brisbane at 1.6% (1.4% in June 2007), the remainder of Brisbane 2.2% (2.3% in June 2007) and Brisbane surrounds increasing to 2.7% up from 1.7% in June 2007. The vacancy rates on the Gold Coast have increased to 3.9% (3.3% in June 2007) with the rest of Queensland decreasing slightly to 3.1% compared to 3.6% in June 2007.

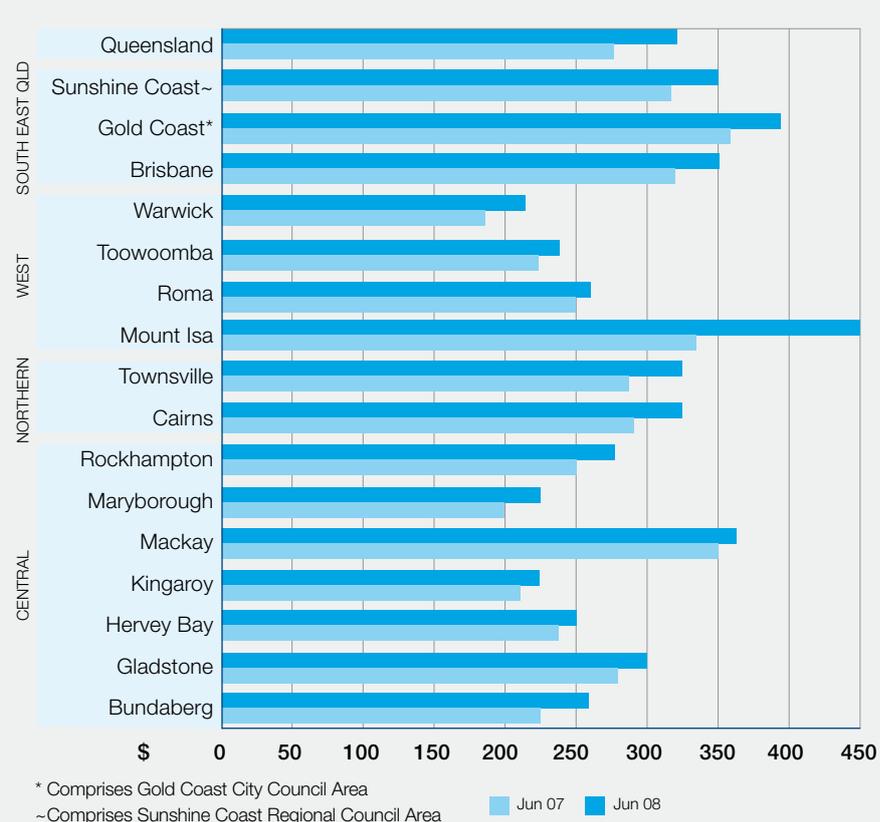
### For more information

Information relevant to Queensland's residential rental market is regularly reported through the RTA's quarterly *Update* newsletter and website [www.rta.qld.gov.au](http://www.rta.qld.gov.au).

**Median weekly rents – 2 bedroom flats**  
(Based on new bonds lodged in the June quarters 2007 and 2008)



**Median weekly rents – 3 bedroom houses**  
(Based on new bonds lodged in the June quarters 2007 and 2008)



# The RTA Board

The RTA Board of Directors provides ongoing support to Queensland's rental sector by establishing the RTA's strategic direction and corporate governance standards.



**Chair – John Battams**

Mr Battams was appointed as Chair of the RTA Board in December 2004. With significant corporate directorship experience as a former Director of a not-for-profit health fund, a private investment group of companies and WorkCover Queensland, Mr Battams is currently a Director and Chair of the Investment Committee of one of Australia's largest industry superannuation funds. Mr Battams has an extensive knowledge of the state, regularly visiting major centres and remote areas of Queensland in his role as General Secretary of the Queensland Teachers' Union. As a member of the Management Committee of a community sporting organisation and President of the Queensland Council of Unions, Mr Battams also has significant experience in leading organisations, developing good working relationships with senior management and employees and in developing and implementing business plans.



**Cathy Bavage**

Ms Bavage was appointed to the RTA Board in 1995 and is Chair of the RTA Audit and Risk Committee. Ms Bavage has a long

history of involvement with supported accommodation and related services and chairs a large community services network in the Bayside area of Brisbane. Ms Bavage's experience in developing and managing community services enhances the RTA's understanding of high need groups within all sectors of the residential rental community.



**Darrell Brady**

Mr Brady was a member of the Board from April 2001 to April 2007 and was reappointed in March 2008. Mr Brady is

a licensed real estate agent and a member of the Real Estate Institute of Queensland, as well as a licensed general auctioneer and a national accredited trainer. Mr Brady brings to the Board a practical understanding of the needs of the residential rental community from tenant, agent and lessor perspectives.



**Luella Camp**

Mrs Camp was appointed to the RTA Board in April 2001. Mrs Camp, who has been involved in numerous community

groups responsible for assisting families with accommodation issues, brings to the Board a deep understanding of community issues.



**Roslyn Wallace**

Ms Wallace was appointed to the RTA Board in April 2004. As a member and Secretary of the Property Owners'

Association of Queensland and a member of the Unit Owners Association of Queensland, Ms Wallace brings her expertise to the Board with skills in interviewing, advising and supporting parties, particularly lessors with rental concerns. Ms Wallace also contributes previous experience with the RTA as an Industry Development Forum member and participant in a range of consultations on the residential rental sector.



**Charles Ware**

Mr Ware was appointed to the RTA Board in April 2005 and is also a member of the RTA Audit and Risk Committee. He brings with him 20

years experience as a partner in private legal practice in Central Queensland. Mr Ware's legal expertise lies primarily in the areas of property, commercial and corporate work, in addition to substantial local government practice. Mr Ware contributes to the RTA Board by his wide directorship experience, with current appointments including Deputy Chancellor of Central Queensland University and Deputy Chairman of Gladstone Ports Corporation. Mr Ware also held previous positions in the Queensland electricity supply industry.



**Lynda Sadiki**

Ms Sadiki was a member of the RTA Board from April 2004 to April 2008. Along with her social work background and experience as a

tenant advocate, Ms Sadiki brought a strong understanding of the issues for Queensland's tenants, particularly in the areas of tenancy law, community consultation and policy.

# Corporate Governance

The success of the RTA relies on a deserved reputation for transparency, accountability and trustworthiness with the RTA's Board and management having a long standing commitment to good corporate governance. The RTA's approach to corporate governance is set out in this section.

The RTA's Corporate Governance Framework is based on a model developed by the Queensland Auditor-General and involves two major perspectives:

## Organisational Perspective:

Showing how the management structure and management standards provide leadership and direction for the RTA.

## Accountability Perspective:

Showing how internal monitoring and review mechanisms and external accountabilities relate to provide assurances that the RTA will achieve its objectives.



## Organisational Perspective

### Management Structure

The Management Structure includes the organisational arrangements in place to enable the RTA to carry out its role.

### The RTA Board

The Board is comprised of a Chair and six Directors. Each of these positions is appointed by the Governor-in-Council for a term of three years. The current term for RTA Directors expires in April 2010. All new Directors participate in an induction program covering governance matters, the operations of the RTA and familiarisation with the management team.

Board members have diverse skills and relevant expertise and are selected on the basis of their knowledge of and experience in Queensland's residential rental sector.

## Board meetings for 2007/08

Members	Full Board	Scheduled Meetings	Audit & Risk Committee <sup>4</sup>	Scheduled Meetings
John Battams	11	11	4	4
Roslyn Wallace	11	11		
Charles Ware <sup>1</sup>	10	11	1	1
Lynda Sadiki <sup>2</sup>	9	9		
Darrell Brady <sup>3</sup>	4	4		
Luella Camp	9	11		
Cathy Bavage	11	11	4	4

Notes:

1. Appointed to ARC in latter half of 2007/08.
2. Resigned from the RTA Board effective from April 2008.
3. Reappointed to the RTA Board effective from March 2008.
4. Mr Bob Shead (BDO Kendalls) attended 3 ARC meetings.

Remuneration for Board members is determined through Cabinet approved procedures, administered by the Department of Industrial Relations and based on the Board's functions and powers.

Each year the Board conducts a regional Board meeting providing the opportunity to meet with representatives from the local residential rental sector. This year, the Board convened in Yeppoon near Rockhampton in April and joined with the Hon. Robert Schwarten, MP in hosting a successful gathering with sector stakeholders from Central Queensland.

## The role of the Board

The Board of the RTA operates on the basis of its responsibilities in the Tenancies Act and the Accommodation Act, in accordance with the RTA Board Charter which sets out the powers reserved to the Board, delegations made to management and provides clarity in the respective roles and responsibilities of the Chair, Board and General Manager.

As the Chief Executive Officer, the General Manager provides strategic policy advice to the Chair, Board and Minister on the operation and monitoring of the Acts. The General Manager is responsible for all aspects of the management, staffing and administration of the RTA.

The Board's specific responsibilities include:

- reviewing and approving strategy and policy positions
- setting the values and standards
- endorsing the RTA's annual budget
- monitoring business performance, investment activities and financial position
- ensuring that significant business risks are identified and managed effectively
- ensuring that the performance of the Board and management is regularly assessed.

The General Manager provides monthly performance, operations and compliance reports to the Board and Minister on the operations of the RTA and its Acts. The Board also receives reports and updates on strategic policy issues. The General Manager attends all Board meetings. Other senior executives attend Board meetings to report and discuss particular issues, as required.

The RTA Board Charter was developed and was formally adopted by the Board in November 2007. Profiles of the RTA Board members are shown on the opposite page.

## Audit and Risk Committee

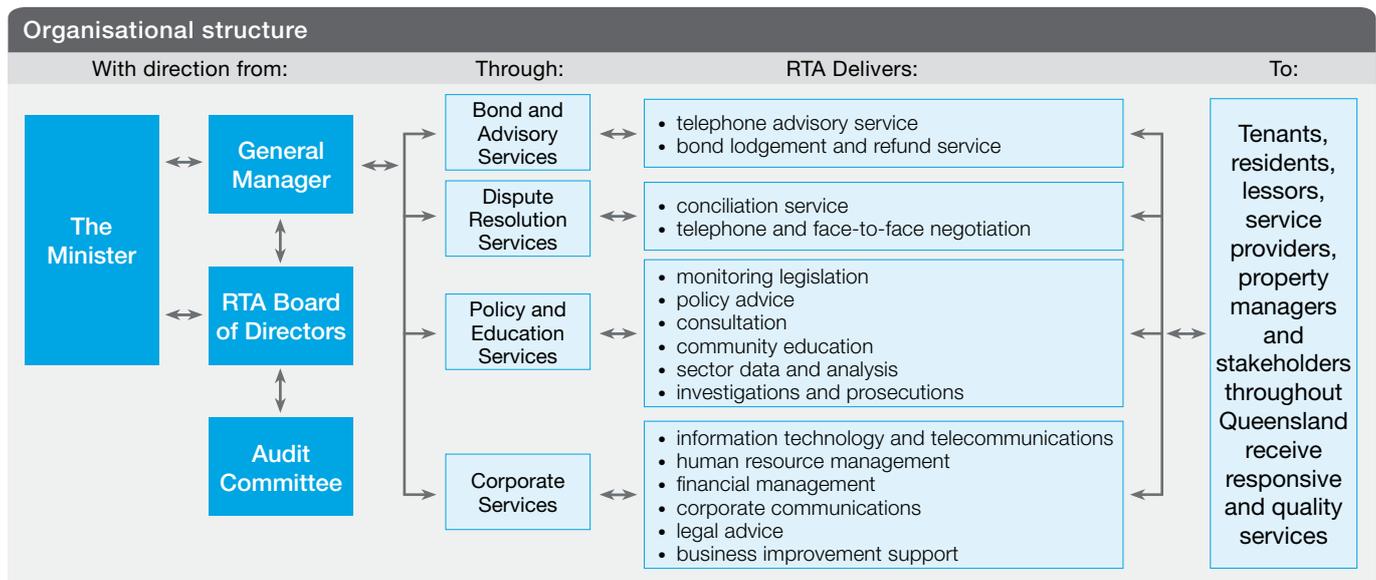
The RTA's Audit Committee was renamed the Audit and Risk Committee (ARC) in May 2008 to more clearly reflect the role of the committee in managing RTA's significant business risks. The new Audit and Risk Committee Charter was adopted in May 2008.

The ARC consists of Ms Cathy Bavage (ARC Chair/RTA Director), Charles Ware (ARC Member/RTA Director), Mr John Battams (ex-officio member/RTA Chair) and Mr Bob Shead (BDO Kendalls).

The main functions of the Board's ARC are to oversee the RTA accounting policies and practices, the integrity of financial statements and reports, the scope, quality and independence of the RTA's external audit arrangements, the monitoring of the internal audit function and the effectiveness of risk measures. This committee is also responsible for monitoring overall legal and regulatory financial compliance.

The Chair of the ARC and the General Manager conduct entry and exit interviews with the external auditors, overview the conduct of the audit, discuss the findings with the auditors, identifying any priorities for the coming year that require the attention of the ARC.

# Corporate Governance continued



## Organisational structure

The RTA has in place a functional structure aligned to the Strategic Plan and aimed at maximising the operational capability and capacity of management and staff.

### RTA Executive Team

The RTA Executive Team is led by the General Manager and is comprised of the divisional managers. The Executive Team takes a proactive role and meets weekly to ensure strategic priorities and the operations of the RTA are on track. To view the RTA's Executive Team profiles turn to page 17.

### Agency Consultative Committee

The RTA has an Agency Consultative Committee (ACC) comprising representatives from management, staff and the Queensland Public Sector Union. The ACC role is to assist with addressing RTA staff issues through open dialogue at the local level.

### Information Steering Committee

The Information Steering Committee is chaired by the General Manager and attended by senior management. An independent expert also attends as well as a senior representative from the internal auditors in the role of probity auditor.

### Management Standards

Management Standards outline the existence and adequacy of organisational policies and standards as well as the roles and responsibilities defined through the delegation process.

### Ethical standards

In keeping with the RTA's commitment to high ethical standards, all employees operate within the framework of the RTA

Code of Conduct and carry out their duties with efficiency, integrity, confidentiality and impartiality and strive to deliver a high standard of service to the community.

Displayed on the RTA website is the Statement of Affairs, providing information about the RTA's structure and functions, the type of documents held and the ways in which these documents can be accessed.

The RTA values clients' privacy and adheres to the Queensland Government's privacy regime which sets standards for the collection, use, storage and disclosure of personal information. The RTA's Privacy Plan outlines how clients can access and amend any personal information held by the RTA and can be accessed at [www.rta.qld.gov.au](http://www.rta.qld.gov.au).

### Freedom of Information Act

The RTA operates in a transparent and accountable manner while maintaining appropriate confidentiality for clients. In 2007/08 the RTA responded to nine requests for access to files related to bonds, dispute resolution and investigations under the Freedom of Information Act (FOI). Some documents or parts of documents are exempt under FOI law to protect the essential public interest and/or the personal and business affairs of others.

### Whistleblowers Protection Act

Effective from 1 May 2007, the *Whistleblowers (Disclosure of Member of Parliament) Amendment Act 2007* requires that all Queensland public sector entities provide statistical information relating to public interest disclosures throughout the year. For the period 2007/08, the RTA received no disclosures pursuant to the *Whistleblowers Protection Act 1994*.

## Organisational Perspective

### Internal and External Accountability

Internal Accountability examines the effectiveness of the planning and control environment, management of risk and the associated internal audit function, flow of information to and from the Executive Team and engagement with stakeholders while External Accountability involves accountability to Parliament including provision of financial and non-financial reporting.

### Business planning

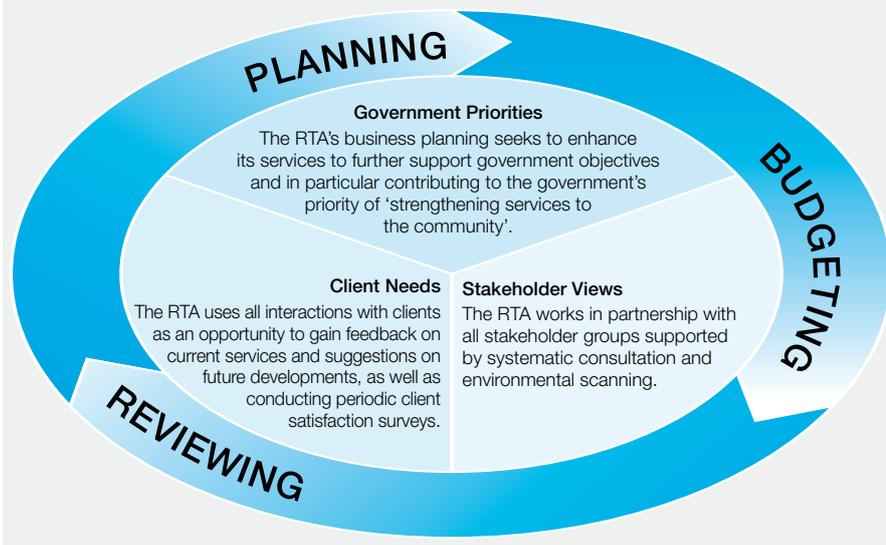
The RTA has an established business planning process as shown in the adjacent diagram. The RTA Board sets the strategic direction of the organisation which is documented and formalised through the RTA's *Strategic Plan 2007-2010*. The plan details a range of strategies to achieve the vision of 'Working together to support and enhance an evolving rental sector'. It also identifies the RTA's continuing strategic priorities: Our Clients, Our Sector, Our Organisation.

Structured according to these strategic priorities, the Annual Report is the main vehicle for reporting the RTA's progress. The strategic plan is underpinned by corporate support plans, an annual business plan and unit operational plans which specify activities and performance levels to be achieved.

The RTA has four major corporate support plans:

- Communication and Education Strategic Plan
- Workforce Management Strategic Plan

## RTA business planning cycle



- Information Technology and Telecommunications Strategic Plan
- Asset Strategic Plan.

In conjunction with their line manager, all staff members complete annual performance development plans to identify their contribution to corporate support plans and performance as well as establishing their professional development requirements.

### Financial planning

The annual budget process runs in parallel to these planning processes with planning undertaken in the context of the financial environment. Business priorities identified as part of the development of the annual business plan form the basis for detailed budget allocations which fund activities in the operational plans. In the latter part of the financial year, the Board endorses the administration budget for the coming year for Ministerial approval.

A core part of the RTA's business planning cycle includes performance monitoring and environmental scanning. The Board and

Executive Team review performance to date, sector trends and stakeholder issues at the commencement of the planning cycle. The budget and performance against targets are reviewed monthly as part of standardised reporting processes. A comprehensive midyear budget review allows internal reallocations to be made within budget, if necessary, to ensure performance targets are met. The RTA reports to public stakeholders through the Annual Report, Agency Services Delivery Statement and associated Parliamentary Estimates process.

The Executive Team is responsible for the implementation of this cycle and ensuring RTA staff understand their role and contribution to the process. The General Manager reports to the Board and with the Executive Team, monitors progress during the cycle. Managers, team leaders and senior functional staff across all operational areas of the RTA meet monthly to ensure a team approach to decision making and strategic policy implementation.

## Risk management

RTA's Risk Management Framework was adopted in 2007 and includes documented policy and a Risk Register which clearly shows the assessment of risks, mitigation strategies and treatment plans. The framework assists in more effectively prioritising risks.

As part of the RTA's Risk Management Framework, the RTA has initiated a number of mechanisms to moderate the business impacts of a range of possible disaster scenarios. A key risk mitigation priority has seen the implementation of a fully functional disaster recovery offsite facility at Robina on the Gold Coast. This facility now provides the RTA with assurity in its ability to continue to maintain services in the event of breakdown of the core client service systems.

In addition, the RTA has contracted access to an offsite business continuity facility in outer Brisbane where staff can be relocated and core business systems can be reinstated and service delivery provided at a reduced capacity pending establishment of full service.

### Internal audit

The Audit Committee (now the Audit and Risk Committee) appointed Deloitte Touche Tohmatsu to provide an internal audit service for three years commencing in 2005. The *Annual Internal Audit Plan* for 2007/08 was completed and included the following reviews:

#### e-Services (Phase 1) Implementation Review

The review concluded that RTA maintained, in all material respects, effective control procedures in relation to the e-Services (Phase 1) implementation.

#### Release Management and Prioritisation Review

The review concluded that RTA maintained, in all material respects, effective control procedures in relation to release management and prioritisation (RTA Bond Database and e-Services Phase 2).

#### Fixed Assets Review

The review concluded that RTA maintained, in all material respects, effective control procedures in relation to Fixed Assets.

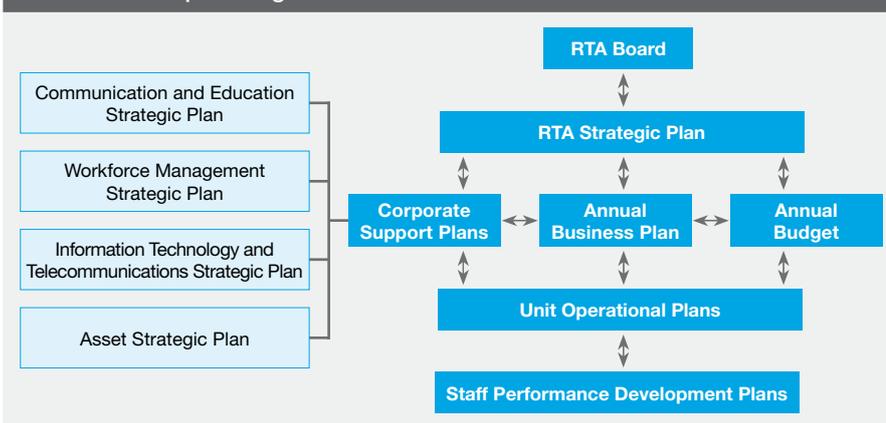
#### Payroll Review

The review concluded that RTA maintained, in all material respects, effective control procedures in relation to payroll processing.

#### Operational Services Bond Lodgement Review

The review concluded that RTA maintained, in all material respects, effective control procedures in relation to performance output monitoring for RTA bond lodgements.

## RTA business planning overview



# Corporate Governance continued

## Performance review framework

Function	Purpose	2007/08 achievements
Financial reporting	Reports level of revenue and expenditure against the approved budget at each Board meeting.	Comprehensive financial reports provided at each Board meeting – no major variances from expenditure budget.
Performance measures	Reports achievement against annual performance targets and quantity, quality, timeliness and location at each Board meeting.	Full performance reports provided at each Board meeting – majority of performance targets achieved.
Internal audit program	Reports progress and recommendations from internal audit for Board Audit and Risk Committee endorsement.	Full status of all audits provided to Audit and Risk Committee. No high level risks current.
Quality assurance certification	Maintains certification against the relevant ISO standard.	ISO 9001:2000 certification renewed.
Client satisfaction survey	Biennial survey to gauge client satisfaction and identify areas for improvement through an action plan.	Average client satisfaction rate 8.2 out of 10 achieved in 2007/08.
Agency Service Delivery Statement	Contributes to the Minister's report on performance and budget results to the Parliamentary Estimates Committee.	Actual expenditure less than budget forecasts.
Annual Report	High reporting standards ensure accountability to the RTA's clients, sector and staff.	Achieved sixth consecutive Gold Award from the Australasian Reporting Awards.

### Performance Review Framework

The RTA Board and the General Manager are responsible for monitoring and reviewing the performance of the RTA. The performance review framework ensures this role is undertaken with comprehensive knowledge of the full depth and breadth of the RTA's functions. The table above outlines the RTA's 2007/08 performance against the key elements of this framework.

### Stakeholder engagement

The RTA prides itself in being able to establish effective partnerships with its external stakeholders and key business suppliers to provide responsive service to clients. These activities, along with formal and informal client feedback, are an integral part of the RTA's corporate governance. The RTA's high standards of disclosure, responsibility and transparency are reflected in the way we consult with stakeholders in order to achieve the RTA's vision of 'Working together to support and enhance an evolving rental sector'.

### Industry Development Forum

The Industry Development Forum is comprised of representatives from key rental sector stakeholders and is chaired by the General Manager. Four forums were held in 2007/08 and provided the RTA with feedback, opportunities for community engagement and input on policies and future directions.

### Specific consultations

The RTA undertook specific consultations with key stakeholders in the following areas:

- continued consultation with the sector in drafting the Residential Tenancies and Rooming Accommodation Bill 2008
- ongoing involvement in cross-government working groups to develop uniform national legislation for tenancy databases and the establishment of the Queensland Administrative Tribunal
- implementation of amendments to the Tenancies Act regarding water charging.

### Business partners

The RTA works closely with key business partners and has developed strategic partnership agreements with:

**Queensland Investment Corporation** – tailored investment services for the RTA have proven to be very successful.

**Australia Post** – enabled the RTA to maintain a local agency service network around the state. In 2007/08 Australia Post services to the RTA included:

- EDIPost (printing of cheques and notices)
- Business Post (parcels)
- Display and Print on Demand (RTA forms available at Australia Post outlets)
- Postbillpay (bond lodgement and refunds via Australia Post outlets)
- Postlogistics (forms warehousing and distribution)
- Decipha (incoming mail).

### Overseas travel

The RTA's Board members and staff did not undertake overseas travel during 2007/08.

## Future priorities – Corporate Governance

The RTA is strongly committed to further enhancing its Corporate Governance Framework and has initiated an extensive documentation review. The framework, including all strategic documents, policies and relevant reference material, will be a comprehensive and easily accessible resource. A number of internal audits are planned as part of the first year of a three year Internal Audit Program. The

Board and Management of the RTA will also continue to promote and maintain the RTA's high standards of corporate governance and reporting.

### Key activities for 2008/09 are to:

- Continue development and review of the Corporate Governance Framework.
- Develop and implement scalable project management methodology.

- Further testing of RTA's off-site business continuity facilities.
- Review of the Risk Management Framework, including the Risk Register with a view to more effectively prioritising and treating risks.

# Executive Team

The RTA's Executive Team effectively manages daily operations within the RTA's strategic framework.



**Fergus Smith**

**BSc, GAICD, MA, MBA – General Manager**

Fergus Smith was appointed General Manager on 14 August 2006. Fergus has brought strong leadership skills to the role and an extensive knowledge of the housing sector, ensuring that the RTA continues to support and enhance Queensland's evolving residential rental sector.

From 2002 to 2006, Fergus was the RTA's Manager of Corporate and Investigation Services. Before joining the RTA, he spent seven years at the Department of Housing in Queensland where he held a range of senior management positions in diverse areas including policy, strategic planning, research, performance management, housing systems initiatives and community housing. Prior to this, Fergus was the Director of Client Services for the Queensland Treasury Corporation. He also worked in Queensland TAFE.



**Ray Rapinette**

**BCom – Manager, Corporate Services**

Ray Rapinette joined the RTA in January 2007 bringing with him over 20 years of experience in local government and previously some 18 years with the banking industry. His time at the Redland Shire Council and Ipswich

City Council included senior and executive management positions in corporate governance, policy and organisational performance, strategic and operational planning, financial management, organisational development and workforce planning, information technology and telecommunications, risk management, property and facilities management. Ray has also sponsored and managed large scale business transformation projects.

Corporate Services provides internal support services to the RTA through human resources, corporate communications, legal advice, financial management, information technology and corporate wide project assistance whilst also supporting Queensland's residential rental sector and the RTA's clients through external communications.



**David Breen**

**BA(Hons), GradCert(Housing Mgmt & Policy) – Manager, Policy and Education Services**

David Breen joined the RTA in 1999 having had considerable experience in public sector housing in Queensland. He was the Senior Program Advisor in Private Housing Assistance for

the Department of Housing and the Area Manager of the Department's office in Redcliffe. He also managed the unit that established the Queensland Government Program 'HomeAssist/Secure'. David had previously worked in disability services in Queensland, Victoria and Tasmania.

Policy and Education Services undertakes research, policy development, community education and investigations to maintain integrity and balance within Queensland's residential tenancies and services sector.



**Phil Davison**

**BSW, GradDipHR&IR – Manager, Dispute Resolution Services**

Phil Davison was appointed Manager of Dispute Resolution Services in January 2007, after having acted in the role since he joined the RTA in January 2006. Phil has previously held positions with government bodies in

Queensland, working for the Office of Adult Guardian and the Anti-Discrimination Commission Queensland where he was Manager of complaints for over seven years.

Dispute Resolution Services supports the RTA's clients by providing specialist conciliation services to help resolve disputes arising in agreements under the Tenancies Act and the Accommodation Act.



**Alan Tupper**

**– Manager, Bond and Advisory Services**

Alan Tupper has been an active member of the RTA's Executive Team since the creation of the organisation in 1989. He took part in establishing the Rental Bond Authority to administer the *Rental*

*Bond Act 1989* as a member of the first management team. Prior to joining the RTA, Alan had nearly 20 years experience in management, banking and retail positions in both private and public sectors.

Bond and Advisory Services delivers support services directly to Queensland's rental sector and the RTA's clients through a rental bond custodial system and the RTA Call Centre.

# Our Clients



*IT&T team members, Daniel Turnell and Lyndon Cottam, work together to maintain e-Services, the RTA's new online bond management facility.*

## **Better Services for Our Clients**

As Queensland's residential rental sector continues to evolve and grow, the RTA addresses the needs of all clients through customer focus, innovation and commitment to excellence in service delivery.

### **Objectives**

#### **Service Quality**

Continually achieve high standards of quality in service delivery in terms of relevance, accuracy, timeliness and accessibility.

#### **Service Awareness and Utilisation**

Continue to position RTA as the key information provider to the residential rental sector ensuring that current and potential clients are aware of and can easily access RTA's services.

## Key results

- ✓ Achieved delivery of 49.9% of all bond refund transactions via direct credit, exceeding target of 49%.
- ✓ Processed 95.4% of bond lodgements within 1 working day, exceeding target of 90%.
- ✓ Processed 96.8% of bond refunds from Australia Post outlets within 15 minutes, exceeding target of 95%.
- ✓ Commenced e-Services (Phase 1) in August 2007 and have achieved 43.6% take up by agents, representing over 60% of all RTA bonds held by the target audience.
- ✓ Answered 89.2% (308,554) calls within two minutes, almost meeting target of 90%.
- ✓ Finalised 81.9% of disputes within 28 days of receipt, exceeding target of 70%.
- ✓ Resolved 66.1% of disputes where parties participated in conciliation, exceeding target of 65%.
- ✓ Resolved 86.8% of investigations, exceeding target of 85%.

## Contents

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# Our Clients continued

## Focus on Service Quality

Despite a significant increase in demand for client services, the staff of the RTA are committed to providing consistently high quality information and support services to our clients.

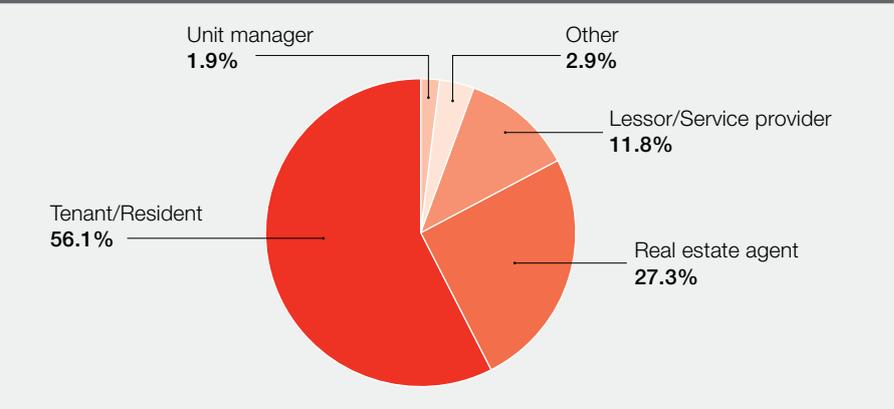
### Delivering timely and accurate information

The RTA Call Centre is an integral part of the RTA's client service frontline, responding to an average of 1,379 calls each working day in 2007/08 (1,308 daily in 2006/07). With a thorough knowledge of the Tenancies and Accommodation Acts, the staff of the Call Centre provide helpful and accurate information to clients.

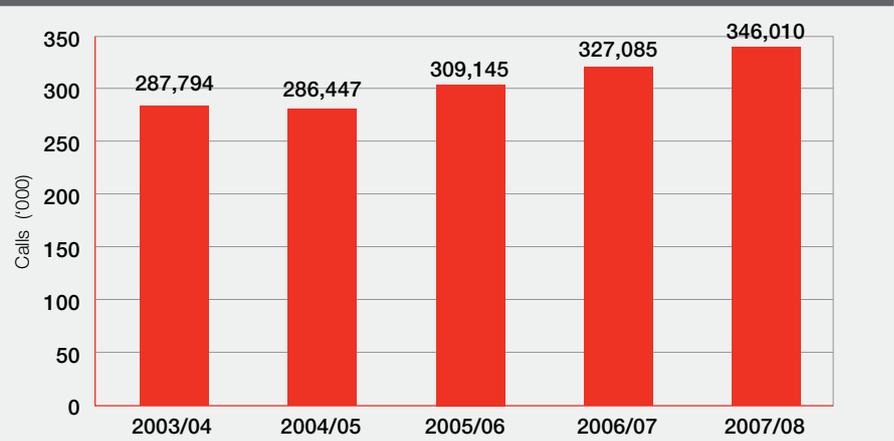
As growth of the state's residential rental sector continues, so too does the demand for the RTA's client services. Call Centre enquiries increased 5.8% in 2007/08 to 346,010 calls (compared to 327,085 in 2006/07), breaking all previous records for the highest number of calls received annually.

The majority of client calls continued to be related to bond queries, accounting for 63.3% of all calls received. However, the proportion of bond queries have reduced (64.6% in 2006/07) largely due to many agents now accessing their own bond records via the RTA's new e-Services facility (see page 26 for more information on e-Services). Other common client enquiries related to tenancy matters, such as rent increases and breaking tenancy agreements.

Call Centre – calls logged by client type – 2007/08



Calls answered by the RTA's Call Centre – 2003/04 to 2007/08



Despite the record demand, the Call Centre maintained its high service quality standards, with more than half of all calls (52.0%) answered immediately (target 55%) and 89.2% within two minutes (target 90%). The average waiting time for callers was 41 seconds in 2007/08, showing a slight increase when compared

with the previous year (39 seconds). The three busiest months for highest daily averages in 2008 were January (1,489), February (1,583) and March (1,548).

Consistency and quality of information is a constant focus for the RTA. The RTA's Monitoring for Quality project is just one initiative utilised to safeguard the RTA's high service standards on a daily basis. In the second half of 2007/08, the Call Centre introduced 'SPEAK' (Skills, Performance, Expertise, Attitude, Knowledge) as part of this project. This program drives continuous improvement in the consistency and quality of client information by providing a framework for ongoing staff development.

During the year, RTA staff also began work on identifying specific information system requirements for call quality monitoring and workforce management tools to enhance overall Call Centre performance.



The RTA's Call Centre team responded to a record number of client enquiries during the year.

## Rental bond management

The management of rental bonds is one of the RTA's core client service functions with 2,669 bond forms administered daily (compared to 2,496 daily in 2006/07).

In 2007/08 the RTA processed a record high of 669,811 bond forms. This figure comprised 341,426 bond lodgement forms (306,437 in 2006/07) and 328,385 bond refund/change bond forms (317,517 in 2006/07).

The peak months of demand for bond administration services were from December to March, with daily averages above 1,300 with a maximum of 1,499 bond forms processed in February.

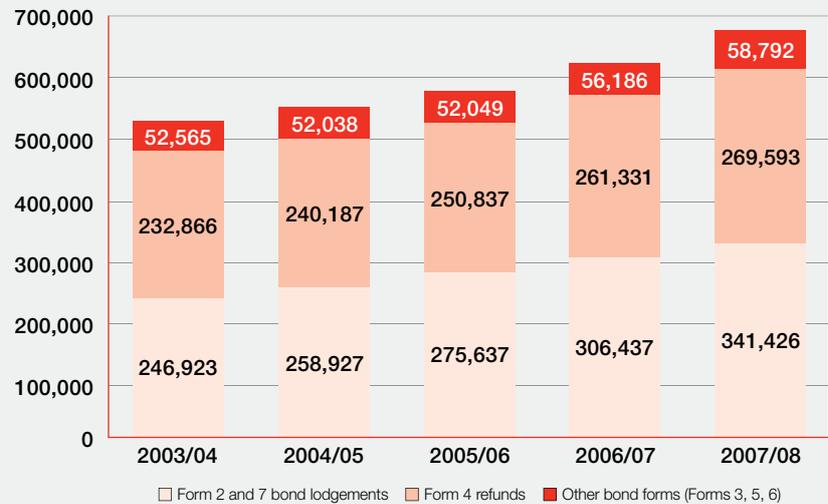
New bonds lodged rose from 229,244 in 2006/07 to 235,160 this year, illustrating the ongoing growth of the state's rental sector. In monetary terms, average daily figures grew significantly in 2007/08 to \$1,132,000 in bond lodgements compared to \$982,000 in 2006/07.

In order to maintain high client service levels, bond management initiatives from the RTA's Monitoring for Quality project continued to be developed throughout 2007/08 to ensure the accurate and complete transfer of information between property managers and the RTA. Ongoing work will further streamline bond transactions.

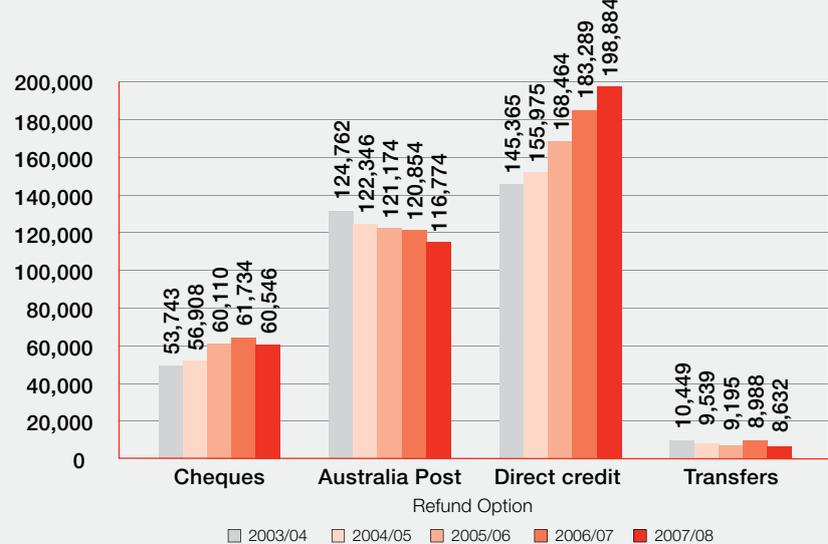
## Refund of bonds

Demand for bond refund services also grew during the year with an average of 868 bond refunds finalised daily (852 in 2006/07). The average value of the RTA's bonds refunded daily increased to \$902,000 in 2007/08 from \$804,000 in 2006/07. Of all bonds refunded, 74.2% were agreed by the parties and, of the remaining 25.8%, 86.0% were finalised after a *Notice of Claim* was issued and

Forms received for bond processing – 2003/04 to 2007/08



Bond refund transactions by refund option – 2003/04 to 2007/08



## In 2007/08, the RTA processed 937 new bond lodgements daily (on average)

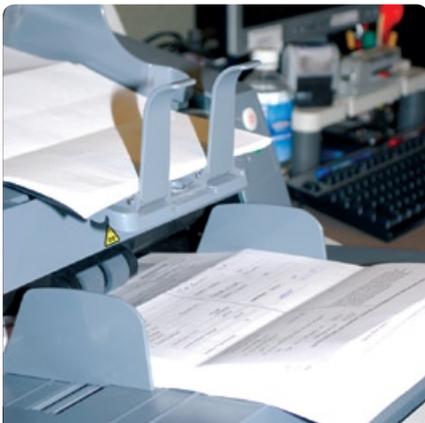
not disputed. In total, 73.3% of bond monies was returned to tenants (72.8% in 2006/07).

With accessibility for clients in mind, the RTA offers a variety of different ways to 'get your bond back'. Clients can apply for an agreed bond refund in person at 582 selected Australia Post outlets around Queensland or by mailing the refund form to the RTA (in which case the preferred payment method is by direct credit into their bank account). In 2007/08, the RTA processed 96.8% of Australia Post refunds within 15 minutes, exceeding the target of 95%.

The proportion of non-Australia Post refunds (via mail or direct credit)

processed within two working days totalled 79.3% for the year against the target of 85%. This shortfall was due to an increase in bond transactions.

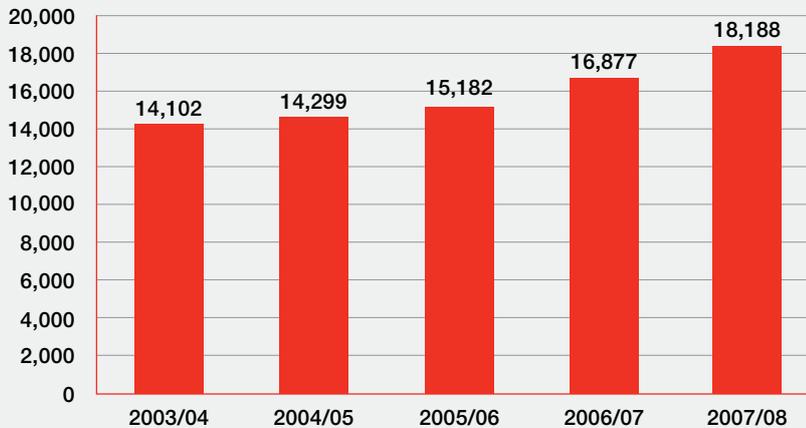
The RTA continued to encourage clients to use the direct credit option for bond refunds, with 49.9% of transactions processed by this method compared to 46.9% in 2006/07. This method of refund continues to grow in popularity amongst self-managing lessors, with 67.1% of refunds paid to lessors via direct credit against 62.9% in the previous year. The adoption rate for tenants is also climbing with 34.9% receiving direct credit refunds, compared to 32.1% in 2006/07.



The RTA's bond processing machine rapidly scans bond forms providing staff with timely and accurate information.

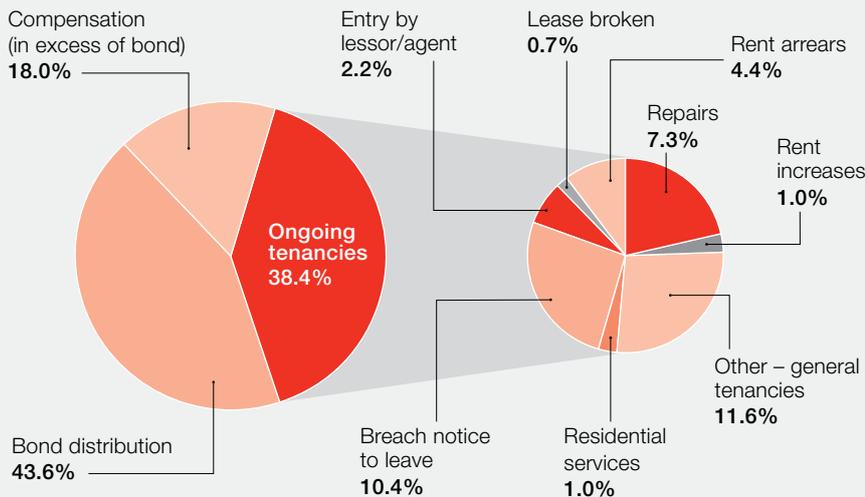
# Our Clients continued

## Dispute resolution requests received – 2003/04 to 2007/08



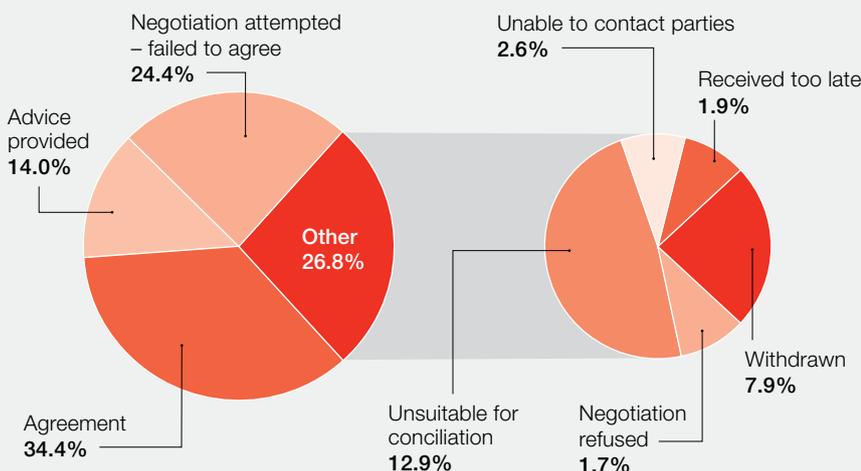
## Reasons for disputes – 2007/08

### Breakdown of 'Ongoing tenancies'



## Results of dispute resolution requests processed – 2007/08

### Breakdown of 'Other'



## What are the reasons for disputes?

A tenancy dispute can occur for a variety of reasons. Disputes relating to the distribution of bond money at the end of a tenancy account for 43.6% of all disputes received during the year. These disputes often involve a range of common issues such as cleaning and outstanding rent. A significant proportion of disputes received relate to ongoing tenancies and account for 38.4% of disputes. The reasons for such disputes often relate to issues involving repairs and maintenance to premises, rental arrears and terminating a tenancy. The RTA also received disputes involving claims for compensation in excess of the rental bond held for the rental premises, after the bond had been distributed (18.0%).

## Resolving tenancy disputes

The RTA's free Dispute Resolution Service assists all clients involved in disputes relating to agreements under the Tenancies Act and the Accommodation Act. The client preferred option of 'shuttle negotiation' by telephone is used by conciliators to assist parties reach an agreement. However, meetings can also be facilitated between parties where appropriate.

The RTA's Dispute Resolution staff provide high quality support to clients by:

- providing information about the legislation
- encouraging resolution of disputes by generating options and sharing offers
- assisting parties to exchange relevant information and documents such as receipts.

In 2007/08, the RTA again experienced a significant rise in the total number of dispute resolution requests received (7.8%), with a total of 18,188 requests compared with 16,877 in 2006/07. Similarly, the number of dispute resolution requests received under the Accommodation Act also increased with 289 requests received in 2007/08 compared with 209 in 2006/07.

The increase in the total number of disputes received by the RTA may be the result of a number of interrelated factors with influences including greater awareness of the RTA's services, a tight Queensland rental market, an increase in median rents and an increase in the overall rental population.



RTA Dispute Resolution staff discuss the conciliation process and techniques to assist parties reach an amicable agreement.

### **Collaborating with the Small Claims Tribunal (the Tribunal)**

While the RTA encourages self resolution of residential tenancy disputes, the Tenancies and Accommodation Acts provide a step by step dispute resolution process involving the RTA and the Tribunal.

As part of a joint action plan with the Tribunal, the RTA continues to promote the information booklet, *Handling Tenancy Disputes in the Small Claims Tribunal*. The RTA also continues to work with the Tribunal to improve administrative coordination between agencies.

Reports provided by the RTA's data interchange with the Tribunal indicate that only 13.5% of disputes finalised by the RTA in 2007/08 had a related Tribunal application. This result illustrates the important role the RTA's Dispute Resolution Service plays in minimising the number of cases proceeding unnecessarily to the Tribunal. Of the finalised disputes with a related Tribunal application, 60.0% involved bonds, 26.9% involved compensation being sought in excess of the bond and 13.1% involved ongoing tenancies.

### **Achieving positive outcomes**

Disputes are generally resolved through separate telephone negotiations with each party. While conciliation is a voluntary process and the RTA cannot compel parties to participate, people are encouraged to take part as there is a strong possibility the matter will be resolved without the need for further action in the court system.

In 2007/08, the proportion of disputes resolved after parties participated in conciliation was 66.1% against a target of 65%. The RTA continues to identify and analyse trends in the sector to assist in understanding the nature of disputes.

Despite the increased volume of disputes, the RTA achieved timely outcomes

finalising 81.9% of disputes within 28 days of receipt in 2007/08, against a target of 70%.

The timely allocation and finalisation of disputes has been supported during the year by targeted recruitment and conciliation training. The RTA continued to work in partnership with the Australian Centre for Peace and Conflict Studies (ACPACS) to provide improved access to coaching and mentoring for conciliators.

To further improve operational efficiencies, the RTA optimised the availability of 16 sessional conciliators in regional Queensland and continued to review processes to ensure disputes lodged are within jurisdiction and suitable for conciliation.

## **Swimming pool dispute resolved**

A tenant applied for a rental property that was advertised at \$450 per week which included the lessor maintaining the pool and the gardens and yard. The tenant advised the lessor they were capable and willing to manage the maintenance themselves and re-negotiated a reduced rent of \$415 weekly.

The tenants moved in some weeks later after signing their tenancy agreement to find that the pool had turned green, which cost the tenants \$250 to clean the pool for their family to use.

The tenant advised that during the tenancy, the lessor was notified that they were experiencing problems with the pool pump and the creepy crawly was quite sluggish. The tenants stated they were continually doing cleaning, clearing leaf debris and putting in chemicals when required. No remedy breach notices were issued.

At the end of the 12 month tenancy, the lessor claimed from the rental bond the significant cost of a pool pump replacement. The lessor advised that the pump was some five years old, was in 'perfect working order' when the tenants moved in. The lessor also advised the professional pool company had found small lego blocks and leaf debris had caused blockages in the pipes which could have caused the pump to overheat. Rather than repairing the pump, the lessor decided it would be better to replace it.

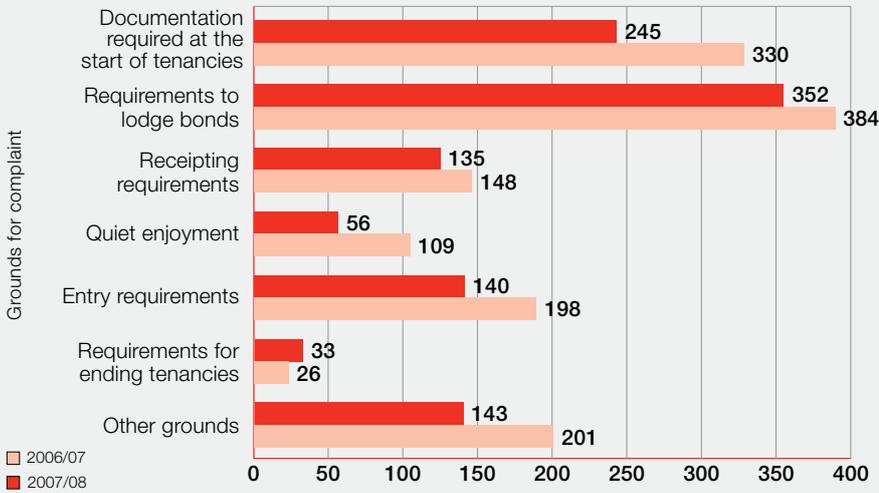
During the conciliation process it was discussed amongst both parties the pool company's findings, the pool condition at the start of the tenancy, what happened during the tenancy, the age of the pump, depreciation, the end of tenancy condition and mitigation of loss.

The matter was successfully resolved by the parties through the RTA's Dispute Resolution service when the parties agreed to pay half the cost to repair the pump and not the replacement cost. It is always recommended to get any instructions or agreements in writing to avoid miscommunication in any tenancy.

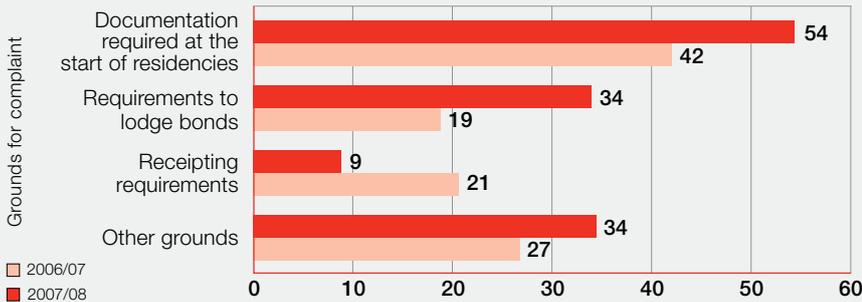


# Our Clients continued

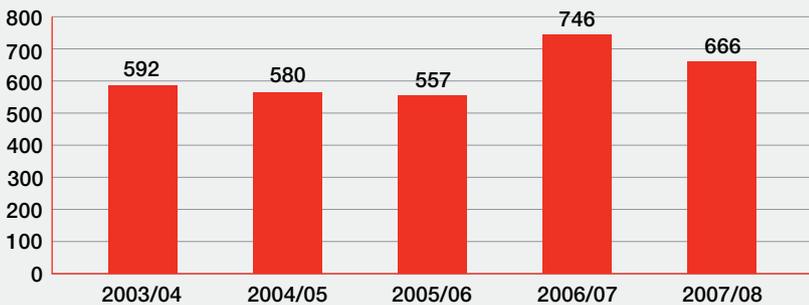
## Grounds for investigations of complaints regarding breaches of the Residential Tenancies Act 1994 – 2006/07 and 2007/08



## Grounds for investigations of complaints regarding breaches of the Residential Services (Accommodation) Act 2002 – 2006/07 and 2007/08

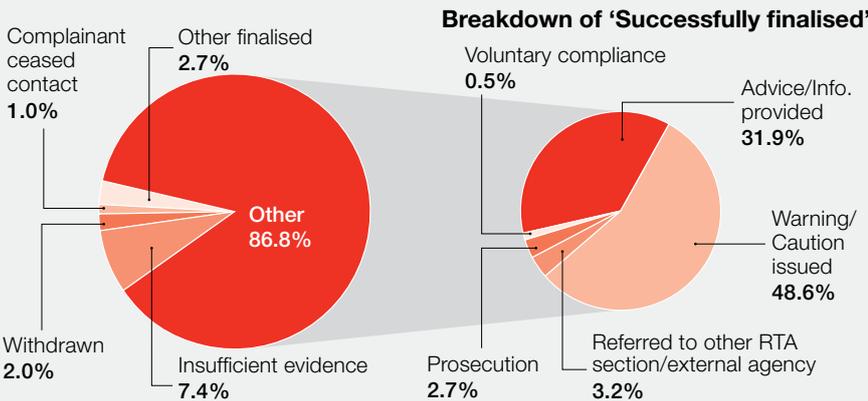


## Investigations commenced for non-compliance with Acts – 2003/04 to 2007/08



## Outcomes of all investigations – 2007/08

(Residential Tenancies Act 1994 and Residential Services (Accommodation) Act 2002)



## Ensuring compliance with legislation

The RTA plays a major role in ensuring compliance with the legislation it administers. It operates within a compliance framework based on impartiality, practicality and consistency with a focus on community education. Potential breaches of provisions of either the Tenancies Act or Accommodation Act are investigated.

If there appears to be sufficient evidence of an offence and action is taken to ensure the offence does not recur. This action may include ensuring the alleged offender is educated about legislative requirements or it may include prosecution.

As well as responding to complaints, the RTA proactively identifies industry trends relating to the provisions administered by the RTA, and initiates visits to industry stakeholders such as property managers and tenancy advocates to assist with preventing offences before they happen.

## Types of investigations and prosecutions

During 2007/08 the number of investigations commenced fell to 666, compared to 746 during the previous year, reflecting a reduction in complaints lodged. Of the investigations commenced by the unit in this financial period, 86.8% resulted in successful outcomes. The remainder of cases involved circumstances that were outside the jurisdiction of the RTA. In addition, 90.9% of all investigations were finalised within six months.

Prosecution of offences are initiated where other strategies have been ineffective or if warranted by the circumstances of the case. In 2007/08, the RTA successfully prosecuted 14 matters before the Magistrates Court. The majority of these prosecutions related to offences against bond provisions.

## 2008 Client Satisfaction Survey

In order to continually achieve high standards of quality in service delivery, the RTA establishes feedback mechanisms such as client surveys to identify opportunities for improvement.

In March 2008 the RTA commissioned an external market research company to perform its fourth biennial Client Satisfaction Survey. The survey entailed telephone interviews with more than 380 tenants, lessors and property managers throughout Queensland. Respondents were interviewed regarding their experiences with the RTA's four key client service delivery areas – Bond Administration, Call Centre, Dispute Resolution and Investigations.

### The results

Survey results show that the RTA is continuing to maintain its record as a high quality service provider with an overall satisfaction of 8.2 out of 10 with 29% of respondents extremely satisfied. This score was a slight increase on the 2006 survey but similar to the 2002 and 2004 results. In comparison to other organisations and industries, the RTA continues to perform strongly in overall customer satisfaction.

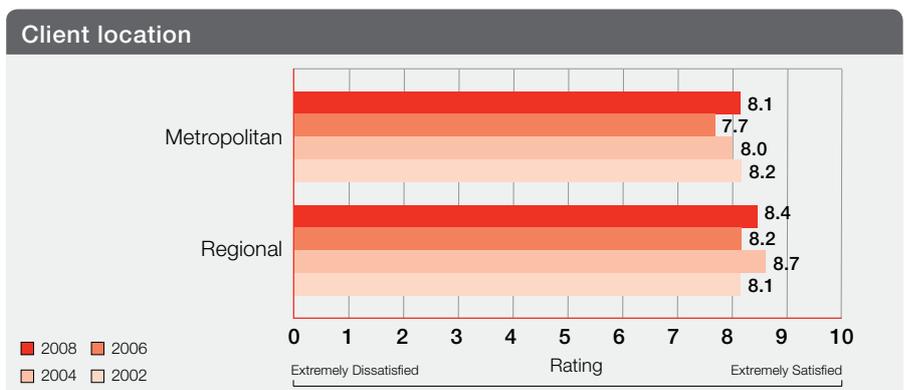
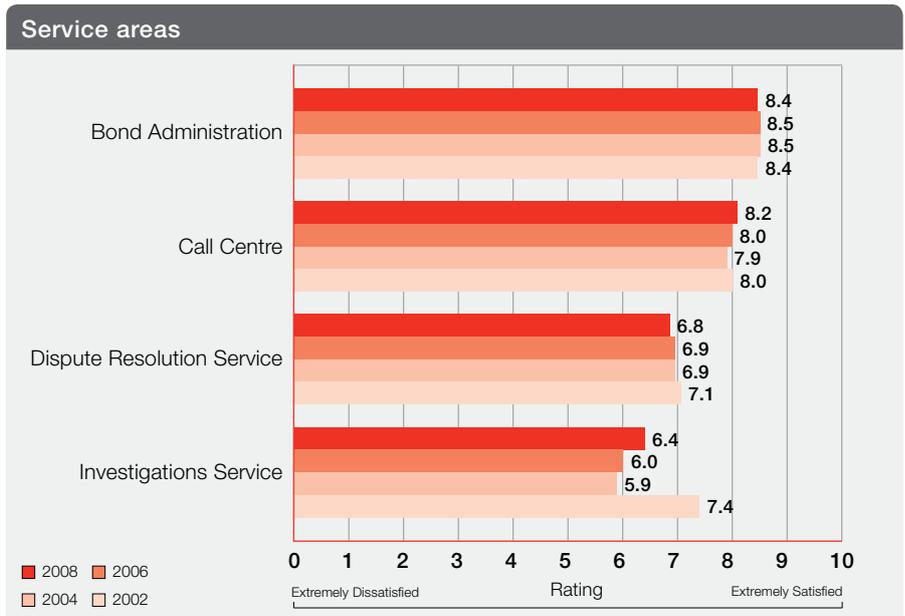
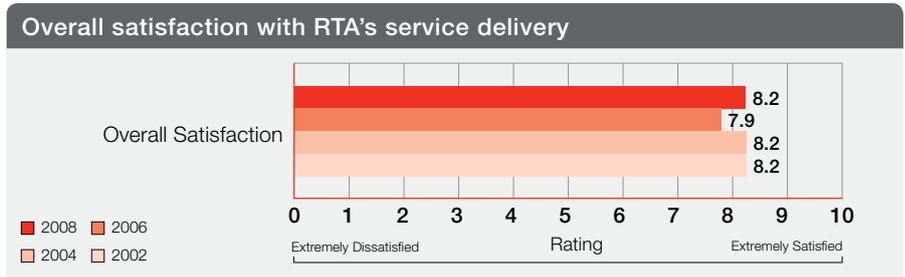
Although the differences between the client groups were not statistically significant, property managers were, on the whole, the most satisfied client group, recording an overall satisfaction of 8.4, followed by lessors (8.2) and tenants (8.0).

As well as rating their overall satisfaction with the RTA and each service area, clients rated the importance and performance of a number of specific service attributes. The RTA analysed these results and identified the priority areas where changes may have the greatest impact on client satisfaction.

In response to the results, the RTA has developed a systematic action plan with a number of key initiatives and mechanisms for tracking their progress. The RTA will evaluate their impact on client satisfaction when the survey is next conducted in 2010.



Senior Research Officer, Jason King, outlines the RTA's positive Client Satisfaction Survey results.



# Our Clients continued

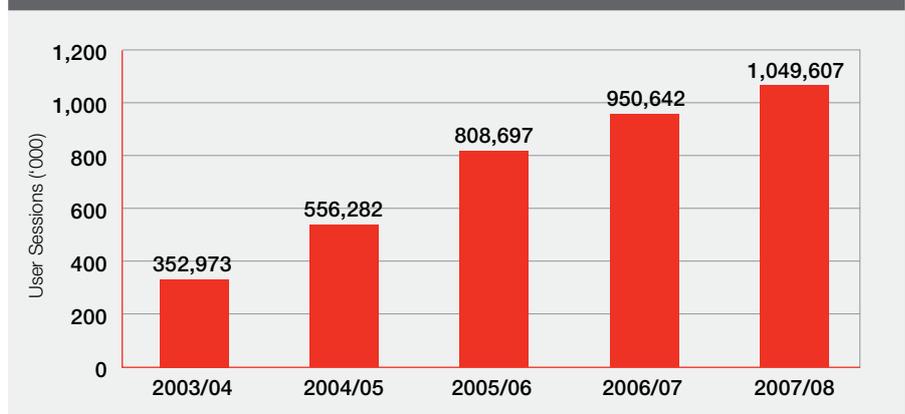
## Focus on Service Awareness and Utilisation

RTA staff provide a wide variety of information and support services, allowing our clients to choose the contact option that best suits their needs.

### Providing accessible service options for clients

With a statewide service delivery responsibility, the RTA is committed to maintaining multi-channel access to its client services, ensuring all client groups receive appropriate support. Often the first point of contact for clients, the RTA's Call Centre can be contacted on 1300 366 311 from anywhere in Australia for the cost of a local call. Clients may choose to listen to a range of recorded information or talk directly with a client information officer.

Website user sessions – 2003/04 to 2007/08



from the RTA's website. Forms are also available by calling, faxing or emailing the RTA's forms distributor.

Alternatively, all bond and tenancy forms are available through the RTA's 'print on demand' and stock-holding arrangements with selected Australia Post outlets throughout Queensland. The RTA's

The RTA also offers the option to 'get your bond back' through Australia Post outlets allowing clients to apply for an agreed bond refund in person.

One of the most significant contributions to the ongoing expansion of the RTA's client service channels was the introduction of the e-Services facility in August 2007. This first phase of e-Services provides agents with the convenience of an online bond management service. Agents can now view or download their bond records and can process 'agreed' refunds where the agent directs 100% of the bond to be paid to the tenant. The demand for this new service has been growing with 43.6% of agents already registered and utilising e-Services, representing over 60% of all bonds held by the target audience.

Plans are well advanced to implement the next phase of e-Services which will enable agents to lodge bonds, in whole or in part, online. It's anticipated that phase two will be available by early 2009.

The RTA website ([www.rta.qld.gov.au](http://www.rta.qld.gov.au)) is an essential information and educational resource for clients. In 2007/08, the popularity of the site grew by 10.4% with 1,049,607 visits for the year (averaging 2,876 visits daily) compared to 950,642 visits registered in 2006/07. The most frequently downloaded publication or form in 2007/08 was the general tenancies information statement, *Renting a home: a tenant's guide to the rules for renting in Queensland* (Form 17a). Over 82,750 downloads were registered for this publication alone.

In 2007/08 the RTA also continued the use of e-Bulletins as a new means of providing information to specific client groups. Through the RTA website, clients can select which e-Bulletin groups they would like to subscribe to. Clients are able to subscribe to e-Bulletins for agents, self-managing lessors, tenants

## Did you know?

**The RTA targets priority groups through focused educational activities to inform all clients of their rights and responsibilities when renting.**

(see page 32 for more information)

RTA clients may also access tenancy and residential service forms via a variety of other service channels. Clients can download individual forms and fact sheets

partnership with Australia Post provides a local agency service network at 582 locations around Queensland, providing clients with better access to forms and tenancy information.



RTA General Manager, Fergus Smith, prepares for a radio interview following the release of a media statement.

or e-Bulletins specifically relating to the RTA's new online bond management system, e-Services.

Another client access point currently being developed by the RTA is online enquiries. With a planned launch date of this service set for the first quarter 2008/09, significant progress has already been made and an online enquiries form has been developed for the RTA website. This new online enquiry service will be trialled with clients prior to a promotional campaign in early 2009.

### **Raising Awareness**

During 2007/08, the RTA developed a range of strategies to raise awareness of the RTA and its services amongst targeted client groups. Findings from the 2006/07 RTA Awareness Research project have provided a clear snapshot of current awareness across the state, client service expectations and how best to communicate to specific client groups.

Based on this research, the RTA has increased the effectiveness of its communication activities by producing integrated campaigns including targeted media advertising, electronic media strategies and public relations activities. Communications campaigns implemented in 2007/08 included an Unclaimed Bond Monies promotion, RTA e-Services launch and awareness campaigns on changes to water charging and smoke alarm legislation.

The RTA uses a wide variety of communication channels to 'get our message across' including e-Bulletins, advertising on web, radio and print media, a quarterly newsletter and public relations activities such as media releases, press interviews and community service announcements. In 2007/08, the RTA was exposed to a potential audience of 25.6 million people via public relations activities.

## **Clients can access RTA tenancy forms and information from 582 Australia Post outlets across Queensland.**



### **Future priorities – Our Clients**

#### **Key activities for 2008/09 are to:**

- Implement phase two of the RTA's e-Services providing agents with enhanced online bond management facilities such as lodgements.
- Continue development of an enhanced call quality management and monitoring system.
- Implement online enquiry service for clients.
- Develop a case management system that will provide efficiencies in the tracking, reporting and management of cases for conciliators in light of increasing client service demands.
- Develop the opportunity for conciliators and clients to access telephone conferencing as well as the current telephone shuttle negotiation approach.
- Maintain focus on proactive investigations and assessment of industry trends, while continuing to resolve all complaints received within agreed performance indicators.
- Renegotiate Master Services Agreement with Australia Post to maintain statewide client access to the RTA's services.

### **e-Services success**

On 27 August 2007, the RTA's e-Services facility was launched. This new service gave property managers the opportunity to access their bond records via the internet. It also gave them the ability to process agreed refunds to their tenants.

From launch date in August 2007 through to 30 June 2008, 1,323 e-Services users were registered by the RTA. This process provided staff with the opportunity to update the records of the registering agencies and ensure all details held by the RTA were current and accurate.

When talking with clients, RTA staff had a chance to explain a little of what the future of e-Services would hold. Especially exciting for clients is the future enhancement of e-Lodgements which will provide an additional bond lodgement avenue option.

The RTA continues to provide support, including visits to numerous agents and on-site managers to help them register for e-Services and have found the client response to be very enthusiastic.



# Our Sector



*RTA Policy and Education Services Manager, David Breen, and Principal Policy Officer, Janet Arber, discuss current tenancy issues to ensure legislative and policy frameworks remain effective.*

## Enhancing Our Sector

Collaborating with a broad network of stakeholders allows the RTA to support an evolving residential rental sector by ensuring the legislative and policy frameworks remain effective.

## Objectives

### **Regulation**

Regulate the sector through a policy framework which considers the rights and responsibilities of all parties and its impact on the sector.

### **Engagement**

Engage with stakeholders to identify emerging trends and improve understanding of the issues affecting the residential rental sector.

### **Support**

Support the sector through education, industry analysis and funding initiatives.

## Key results

- ✓ Obtained Cabinet approval to prepare draft legislation, amending the *Residential Tenancies Act 1994* and the *Residential Services (Accommodation) Act 2002* and commenced drafting of the new Residential Tenancies and Rooming Accommodation Bill 2008 which will amend and replace existing legislation.
- ✓ Implemented legislative changes from 1 April 2008 which allow lessors to charge tenants for full water consumption where certain criteria are met.
- ✓ Reviewed and updated RTA Fact Sheets to ensure accuracy and greater client accessibility, including the addition of tenancy information on emerging sector issues such as water charging and smoke alarms and the introduction of the new *Renting and Need Help?* Fact Sheet to promote translation services to cultural and linguistically diverse (CALD) clients.
- ✓ Allocated \$148,957 to 10 community organisations through the RTA's Community Education Public Grants Scheme with 38.0% of funding to support CALD tenants and 32.0% of funding to support indigenous tenants.
- ✓ Conducted Community Education Outreach visits including lessor workshops to targeted regional areas including Bundaberg, Cairns and Mt Isa regions, with support from Dispute Resolution and Investigations staff.
- ✓ Supported work for Queensland to take the lead in establishing draft national tenancy database legislation.
- ✓ Continued to work with the Department of Housing to develop options for low-income households to access and sustain private rental tenancies.
- ✓ Participated in government reviews of issues such as neighbourly relations and the review of Tribunals in Queensland.
- ✓ Member of the Brisbane City Council Task Force team examining international student accommodation issues.

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## A strong and evolving rental sector

Queensland has a growing rental sector with strong demand for rental housing, as the market faces challenges of housing and related infrastructure demands from the mining boom and population growth. In such a dynamic environment,

it is essential that legislative and policy frameworks remain effective and relevant.

The RTA is an integral component of Queensland's rental sector, acting as regulator, educator, policy advisor and service provider for the private and

public residential rental markets. Its essential work in monitoring legislation, developing policy, working in partnerships and providing education contributes to maintaining a fair and balanced rental community.

## Regulating Our Sector

The RTA is responsible for ensuring that the *Residential Tenancies Act 1994* and the *Residential Services (Accommodation) Act 2002* support government priorities and remain relevant to the sector. This is achieved by reviewing and providing advice on the operation of the laws administered, as well as providing policy advice to agencies responsible for other legislation which impacts on the rental sector.

The policy focus for much of 2007/08 was on gaining Cabinet approval to progress legislative changes to both Acts, while working with other government entities to further strengthen the legislative frameworks around rental arrangements.

In November 2007, Queensland Cabinet gave approval to the RTA to commence drafting the Residential Tenancies and Rooming Accommodation Bill 2008.

The Bill will combine the provisions of the existing *Residential Tenancies Act 1994* and the *Residential Services (Accommodation) Act 2002* and will incorporate changes developed following comprehensive reviews in 2006 and 2007. It is expected to be introduced into Parliament in late 2008 and, once enacted, the two current pieces of legislation will be repealed. RTA policy staff worked closely with the Office of the Queensland Parliamentary Counsel throughout 2007/08, acting as drafting instructors during the complex drafting process.

While the fundamental aspects of the new tenancy legislation remain unchanged, there will be a number of significant changes to processes and new requirements for emerging issues which will be captured. The RTA will undertake a comprehensive review of forms as well as education materials and implement an extensive information campaign in 2008/09 to introduce the changes to the sector.

## Responding to sector issues

Representative and democratic governance requires the public sector to be responsive and accountable to its clients. The RTA offers a support role to the Minister's office by providing expert advice. During the year, the RTA:

- prepared information for 93 replies to Ministerial correspondence
- provided 40 briefing notes and submissions about emerging tenancy law and related issues
- replied to seven Parliamentary Questions on Notice
- prepared one Cabinet Submission about the review of legislation
- responded to 12 requests for other information.

The RTA also coordinated research and briefing papers for the RTA Board and the Minister on key legislative and other policy issues.

## Engaging with other jurisdictions and sector members

Key RTA staff members delivered a number of presentations at the Australasian Residential Tenancies Conference 2007: *Changing Communities, Changing Needs*, held in Melbourne in September 2007.

Staff presented topics under the conference themes of:

- affordable housing
- current and emerging cultural and demographic issues
- specialist housing
- new approaches to tenancy disputes.

The Queensland content was well-regarded by the other delegates and provided valuable insight for other agencies into some of the differences between jurisdictions.

The biennial conference also provided a rare opportunity for staff and RTA Board members to meet with colleagues from around Australia and New Zealand to compare differences in legislation, processes and operations and gain insight into opportunities for their potential enhancement.

Queensland was announced as the host state for the 8<sup>th</sup> Australasian Residential Tenancies Conference to

be held in September 2009, and the RTA will commence preparatory work in the 2008/09 financial year.



RTA staff and Magistrate Bill Randall (far right) represent the organisation at the Australasian Residential Tenancies Conference.

## Engaging with Our Sector

The RTA supports the Queensland Government's community engagement strategy, and aims to work with stakeholders in a collaborative environment. In addition to formal community consultation during the legislative reviews, the RTA relies on sector representatives to participate in Stakeholder Working Parties which are formed as required, to provide input into its legislative reviews. Interaction among peak bodies and stakeholders is promoted through regular round table discussions at quarterly Industry Development Forums. These provide an opportunity for the RTA to consult with the sector on emerging policy issues and give them an opportunity to raise industry issues or views for open debate or clarification. In 2007/08 topics included:

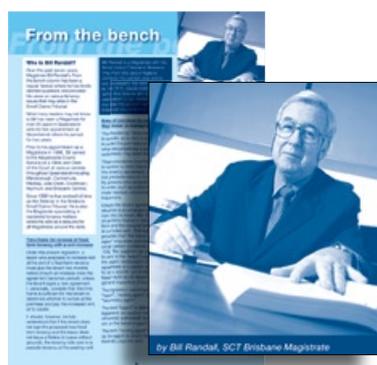
- a presentation by Department of Justice and Attorney-General staff to encourage stakeholder input into the Government review of Tribunals
- feedback from Queensland Fire and Rescue Services about smoke alarm requirements in rental properties
- an overview of potential private rental assistance products the Department of Housing was developing
- discussion about the legislative reviews.

### Collaborating with other Government agencies

Queensland Government agencies play an important role in reviewing and addressing a diverse range of sector issues and the RTA participates in a number of cross-government working groups. The RTA valued the opportunity to have input into reform groups such as the review of neighbourly relations, a national working

party responsible for introducing uniform legislation on tenancy databases and a cross-government working group developing water demand management strategies.

The RTA enjoys a strong partnership with the Department of Housing, working together to investigate opportunities for supporting affordable housing initiatives for low-income households. Work was also progressed between the agencies on facilitating future changes to the Department of Housing's Bond Loan program in line with client demands.



Magistrate Bill Randall's 'From the bench' column in the RTA's Update newsletter provides vital rental law information.

Throughout 2007/08, the RTA liaised with the Chief Magistrate and representatives of the Small Claims Tribunal as part of an ongoing action plan to facilitate better access to the Tribunal and encourage greater consistency. The regular articles produced by Magistrate Bill Randall and published in the RTA quarterly publication *Update* have proven to be a valuable and popular resource for the sector. The articles give clients valuable insight into the reasoning and interpretation of tenancy concepts by Magistrates and provide a guide for future disputes.

## Supporting Our Evolving Sector

### Monitoring sector trends

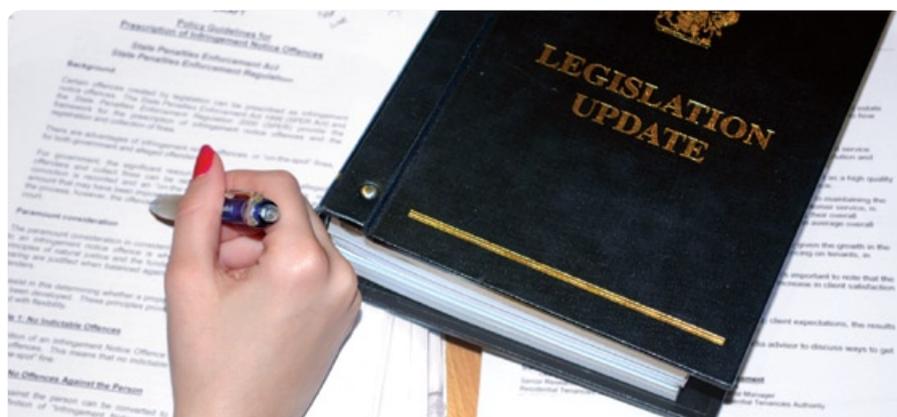
The RTA continued to be a key source of rental sector information for all stakeholder groups and the general public throughout 2007/08 by way of its analysis of rental bond lodgement data. Quarterly reports detailing median weekly rents according to location and type of premises and data on monthly RTA operational activity are published on the RTA's website and in other publications such as the RTA's quarterly *Update* newsletter. Median weekly rent data is prepared by the RTA on a quarterly basis and is often cited in media reports on the current state of the Queensland rental market.

## Did you know?

RTA Fact Sheets are available via our website, at RTA Outreach events or can be requested by mail from Postlogistics.

The RTA uses regular analysis of client contacts such as client enquiries, types of dispute resolution requests and Small Claims Tribunal orders to monitor the operation of both the Tenancies Act and the Accommodation Act and inform its policy advice. Residential rental sector data provided by the RTA was also utilised for policy review papers associated with the reviews of both the Tenancies Act and the Accommodation Act. The RTA also analyses operational data and monitors emerging trends in the rental sector to identify target areas for community education activities.

In 2007/08, the RTA responded to 318 requests for rental market data and other statistical information from various Government agencies, stakeholders and the community. This represents a decrease of 34 requests from 2006/07. While the number of requests has decreased slightly, the complexity of data requests has increased. This could indicate a growing interest in the need to analyse Queensland's tight residential rental sector in greater detail.



The RTA plays an integral part in ensuring all stakeholders are fully informed and aware of their rights and responsibilities under current legislation.

# Our Sector continued



The RTA presents free workshops for self-managing lessors in metropolitan and regional areas throughout Queensland.

During 2007/08, the RTA delivered educational presentations to:

- 550 self-managing lessors
- 256 Real Estate Property Managers
- 145 Resident Unit Managers
- 35 First Year Police Constables
- 50 Community Housing workers

## Providing ongoing community education and support

The RTA undertakes community education on tenancy law and related issues through:

- an Outreach program of activities with a focus on regional visits
- the production and distribution of a range of information resources
- the implementation of an annual small grants program to assist targeted groups to undertake their own education activities
- fostering strategic relationships with key industry stakeholders.

This year, the RTA conducted regional visits to Cairns and Thursday Island where information sessions were delivered to Housing Officers and Council representatives from all Indigenous Local Governments in Queensland.

RTA staff conducted self-managing lessor workshops in Maryborough and Bundaberg and met with caravan park owners and managers in Hervey Bay in conjunction with networking visits with staff at regional Tenant Advice and Advocacy Services (Queensland) (TAAS(Q)).

Other major Outreach events for the year included information displays at the Royal National Association (RNA) Show, the REIQ Property Managers' Conference, NAIDOC Festival, the Multicultural Festival and the International Student Civic reception in Brisbane (see page 35 for more information). Meetings were also held with property managers and interested community organisations including tours of the RTA by some groups.

## Providing up-to-date information for tenants

Targeted training and education for key client groups continued throughout the year. The RTA's annual student



An RTA staff member provides friendly and accurate information to clients at the 2008 REIQ Property Managers Conference.



RTA staff provide renting information to CALD clients at the 2007 Multicultural Festival.

campaign ensured tenants in student accommodation were informed of their rights and responsibilities at key times, in particular during orientation and end of semester. The use of interpreters by direct service staff to support culturally and linguistically diverse (CALD) clients increased by 13% during the year. This increase may be the result of a greater community awareness of the RTA's services and a willingness to encourage the use of translation and interpreter services.

### Community Education Public Grants Scheme

In 2007/08, the RTA awarded grants totalling \$148,957 to 10 organisations, targeting a range of groups throughout Queensland. The annual Community Education Public Grants Scheme continues to be an effective educational strategy for the RTA. The scheme aims to promote better understanding of the rules for renting throughout Queensland by funding non-profit community organisations to deliver tenancy and residency messages to their clients.

The projects for the 2007/08 Grants Scheme included a spread of projects across RTA priority target audiences. Specifically, the breakdown of projects by target audience shows:

- Aboriginal and Torres Strait Islander housing providers and tenants (3)
- Tenants and residents from culturally and linguistically diverse backgrounds (4)
- Residents of residential services (1)
- Students/Youth (2).

The projects for the 2007/08 Grants Scheme were geographically well spread across the state. The recommended projects show grant recipients will be in the following areas: Central Queensland (1), North Queensland (1), Regional South East Queensland (5), Greater Brisbane area (3).

### Funding tenant advice services and affordable housing initiatives

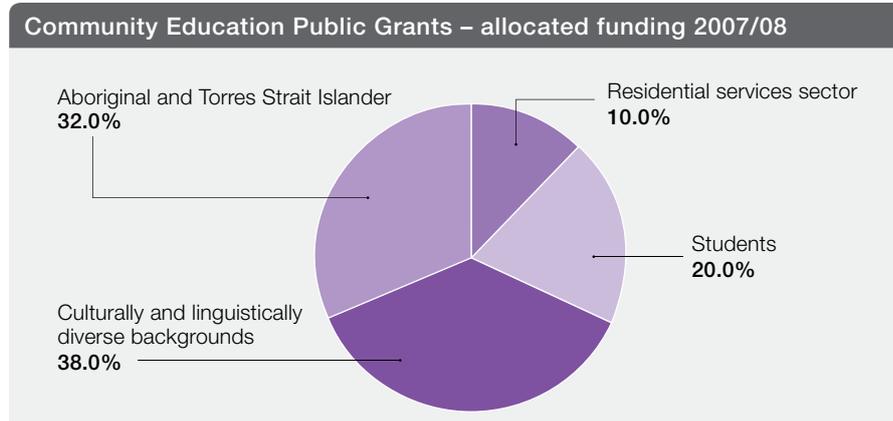
The RTA supports tenants by funding a client-based tenant advice service. This year, the RTA provided \$3.2m to the Department of Housing funding for the Tenant Advice and Advocacy Service (TAAS(Q)). TAAS(Q) provides information, advice and advocacy assistance to tenants using a case management approach through 29 community-based services across the state.

This year the RTA also provided \$3.1m to the Department of Housing with \$3.0m for the Gold Coast Housing Company to

increase the supply of affordable rental housing and \$0.1m to the Department for research and feasibility studies for new initiatives.

During 2007/08 the RTA commenced funding the Tenant's Union of Queensland

directly for work it undertook as a peak advisory body providing tenancy law reform policy advice, with a grant of \$165,000. The new funding arrangements followed a review of funding for peak housing bodies undertaken by the Department of Housing.



## RTA Fact Sheet review

The RTA's suite of Fact Sheets is an important educational resource available to all members of Queensland's rental community.

RTA Fact Sheets provide in-depth information about a range of topics including information for clients living in general tenancies, moveable dwellings and residential services.

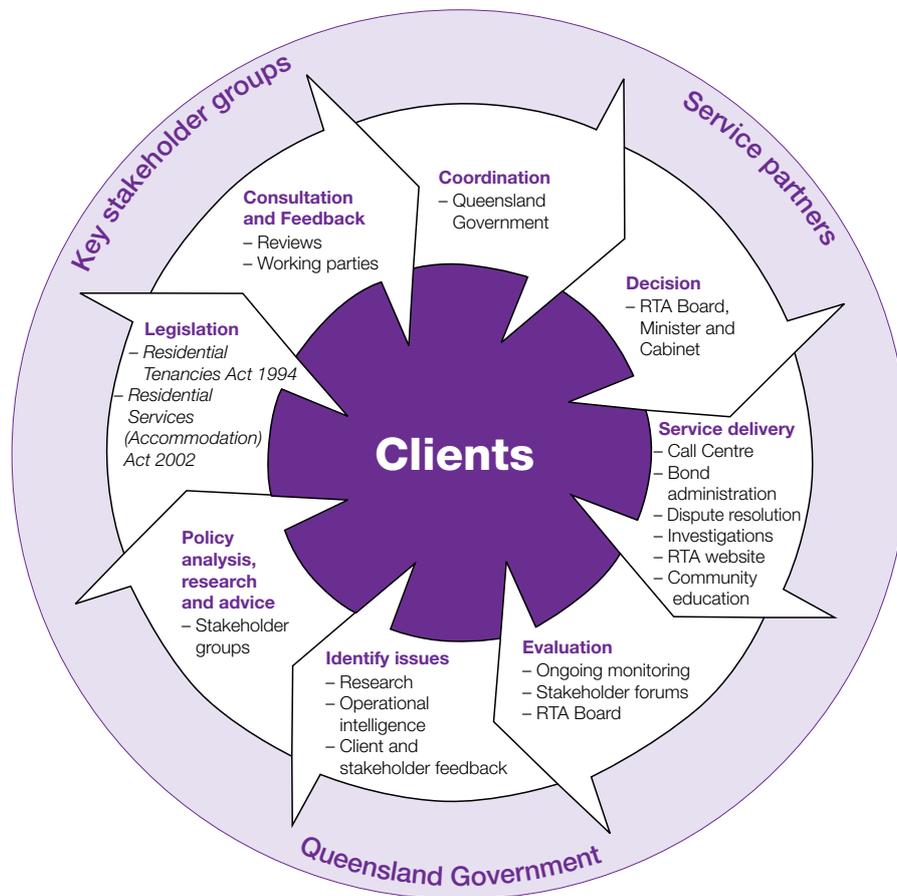
In 2007/08 the RTA launched a comprehensive Fact Sheet review to ensure that all information is up-to-date and accessible for all clients, including those identified as priority target groups with special needs such as CALD clients.

To maintain the high quality of our printed resources, this review focuses on content, format and the accessibility of each Fact Sheet, and will provide many benefits once completed, including:

- a comprehensive and up-to-date suite of topics
- complex legal concepts presented in basic English to ensure accessibility for all clients
- translated information on renting in Queensland for clients from CALD backgrounds
- consistent style and presentation of RTA publications, ensuring a quality user experience across all printed materials
- an accurate representation of the *Residential Tenancies Act 1994* and the *Residential Services (Accommodation) Act 2002*.

Planned for completion by September 2008, RTA Fact Sheets will receive further updates with the introduction of the new tenancy legislation in 2009.

## Working with Our Sector



The RTA's vision of 'Working together to support and enhance an evolving rental sector' is realised through its multi-faceted role within Queensland. The RTA works with clients, key stakeholder groups and the Queensland Government to provide legislation and policy advice based on continual consultation and feedback, and provides a range of services and educational assistance to clients and key stakeholders.

The RTA's role in the residential rental sector is illustrated in this diagram. Based on the Queensland Government's policy cycle, it illustrates the leadership and coordination role of the RTA in developing and implementing preferred policy options in conjunction with the sector and stakeholders to directly benefit our clients.

**Clients** are the focus of the RTA's service delivery and include current, past and future clients in the following groups: tenants, residents, lessors, property managers, park managers and service providers.

Surrounding this core is a network of key **stakeholders** including the **Government**, which has a regulatory and policy agenda at both state and local levels, as well as a large number of industry and community associations supporting the interests of client groups. The RTA liaises regularly with key stakeholder groups and peak bodies to monitor development in the sector and to formally engage with a range of client representatives. This is achieved through quarterly Industry Development Forums hosted by the RTA, individual liaison, reference groups, and participation in Stakeholder Working Parties convened for the purpose of reviewing legislation. Stakeholder groups include:

- Tenant Advice and Advocacy Service (Queensland)
- Caravan and Manufactured Home Residents Association

- Caravan Parks Association of Queensland
- Property Owners Association of Queensland
- Queensland Resident Accommodation Managers Association
- Queensland Shelter
- Real Estate Institute of Queensland
- Tenants Union of Queensland
- Public Housing Tenants Association
- Queensland Disability Housing Coalition
- Boarding House Owners and Managers Association
- Supported Accommodation Providers Association
- Boarding House Action Group
- Queensland Pensioners and Superannuants League.

The RTA also maintains close alliances with its **service partners**, including Australia Post and its investment partner, the Queensland Investment Corporation, as well as the Small Claims Tribunal.

## Future priorities – Our Sector

The RTA will continue to collaborate with our stakeholders to ensure the policy framework and legislation for the residential rental sector remains effective and the sector continues to be informed and educated about their rights and responsibilities.

### Key activities for 2008/09 are to:

- Commence implementation of the new Residential Tenancies and Rooming Accommodation Bill 2008, following its passage through Parliament.
- Draft and introduce the *Residential Tenancies and Rooming Accommodation Regulation 2009* to support the Act.
- Support the sector's implementation of the new legislation through the development and amendment of forms and other material.
- Undertake a statewide community education and information program to support the implementation of the new tenancy legislation.
- Provide ongoing policy advice on key issues to the Board and Minister.
- Oversee the preparation for the Australasian Residential Tenancies Conference 2009, which the RTA will host in September 2009.
- Conduct a new funding round for the Community Education Public Grants Scheme.
- Continue to provide funding to the Department of Housing for the TAAS(Q) program to provide community-based tenancy information, advice and advocacy assistance in 29 locations around Queensland.
- Continue to support affordable housing initiatives, providing funding where appropriate.

## International students welcomed

The RTA was invited by the Brisbane City Council to participate by way of an information display at their inaugural International Student Civic Welcome on 5 March 2008. Attracting over 6,000 international students, the event aimed to provide newly arrived international students with a 'one stop shop' on living in Queensland.

RTA staff provided information to international students about their rights and responsibilities as tenants and promoted RTA services. Specifically at this event, the RTA website and Call Centre telephone number were promoted.

To complement this event, the RTA developed a specific promotion for international students including a postcard featured at the display. The postcard appealed to our target audience and carried the message '*Renting Accommodation; know the rules*' on the front and several other key messages about the RTA and how to make contact on the reverse. The bright pink colouring of the postcard attracted a lot of attention, with more than 2,000 distributed on the day.



# Our Organisation



RTA Corporate Services Manager, Ray Rapinette, and Business Improvement and Support Coordinator, Kylie Lewis, meet to discuss documentation of the RTA's Corporate Governance Framework.

## Supporting Our Organisation

As demand for RTA services continues to rise, the skilled staff of the RTA work together to ensure ongoing support of our clients, facilitated by innovative and sustainable processes in a positive work environment.

### Objectives

#### **Our People**

Build a strong organisation based on sound planning and leadership while maintaining a skilled, service-oriented and motivated workforce.

#### **Our Environment**

Support whole-of-government initiatives for environmental sustainability.

#### **Our Business Operations**

Continually improve RTA's systems and processes to support the achievement of business outcomes.

#### **Our Finances**

Maintain financial accountability and sustainability.

## Key results

- ✓ Successfully implemented the Residential Tenancies Employing Office (RTEO) with 100% of affected employees accepting new employment with the RTEO, returning staff to the state industrial jurisdiction and thereby ensuring the ongoing protection of their existing work entitlements and conditions.
- ✓ Conducted 2008 Workforce Attitudinal Survey and received an exceptional 88% return rate from RTA staff with strong, positive ratings.
- ✓ Established new Business Continuity Site to cater for an emergency in the event the RTA's main building is not accessible. This site will enable the RTA to relocate staff and re-establish operations and services, and continue to service the community.
- ✓ Completed the establishment of the RTA Disaster Recovery site at Robina to provide timely recovery of business critical systems in the case of an emergency or disaster situation.
- ✓ Completed the deployment of e-Services (Phase 1) and commenced work on e-Services (Phase 2) which is due to launch in early 2009.
- ✓ Achieved investment return of 5.25% despite a downturn in world markets.

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# Our Organisation continued

## Our People

To achieve its future goals, it is vital that the RTA remains a capable, innovative and accountable organisation. The staff of the RTA are committed to providing high quality client services through a positive organisational culture and effective business operations.

### Workforce profile

In response to increased demand for client services, the number of full time equivalent staff (FTE) increased from 143 to 150 in 2007/08. The RTA continues its direct client service focus, with 96.0% of these new staff recruited for client service positions.

Overall, 78.3% of staff occupy client service positions (77.4% in 2006/07). The RTA's remaining staff are dedicated to undertaking necessary corporate support and business management roles.

The RTA has continued to maintain its high retention levels of corporate knowledge. As at 30 June 2007, 47 employees had achieved more than 10 years of service at the RTA. This represents 29.4% of the RTA workforce of 160. Of these, 11 employees had achieved 15 or more years of service.

## Managing a changing industrial relations environment

In April 2007, the *Statutory Bodies Legislation Amendment Act* was passed by the Queensland Parliament and commenced operation. This new legislation amended the *Residential Tenancies Act 1994* and created a 'non-corporate' entity, the 'Residential Tenancies Employing Office' (RTEO) which will become the employer of RTA staff on 1 July 2008. Comprehensive preparation was conducted prior to 1 July 2008 to provide for the smooth transition of RTA employees to the RTEO. Support activities included:

- staff information sessions
- regular update bulletins to staff throughout the year
- an intranet page dedicated to providing information on the implementation of the RTEO
- an information package for staff on leave from the RTA.

The benefit of this thorough preparation was evident with 100% of affected employees accepting new employment with the RTEO.

The implementation of the RTEO has effectively returned staff to the state industrial jurisdiction, thereby ensuring

the ongoing protection of their existing work entitlements and conditions.

## Supporting work, family and lifestyle balance

The RTA has maintained its commitment to providing a workplace that enables staff to balance work, family and lifestyle. This commitment is supported by a range of policies and options that provide staff with a flexible work environment. These options include accumulated time off, variable working hours, compassionate leave, bereavement leave, leave without pay, long service leave at half pay and family leave.

During 2007/08 paid parental leave was extended from 6 to 12 weeks. This year, 15% of staff were engaged in part time work.

The RTA recognises that the work performance, health and safety of its staff can be adversely affected by a wide range of personal issues. To assist staff and their families in overcoming such issues, the RTA has again retained the services of an Employee Support Provider to establish and maintain an Employee Assistance Program. RTA staff and their family members may access free counselling and support sessions under this Program.

## Positive results from Workforce Attitude Survey

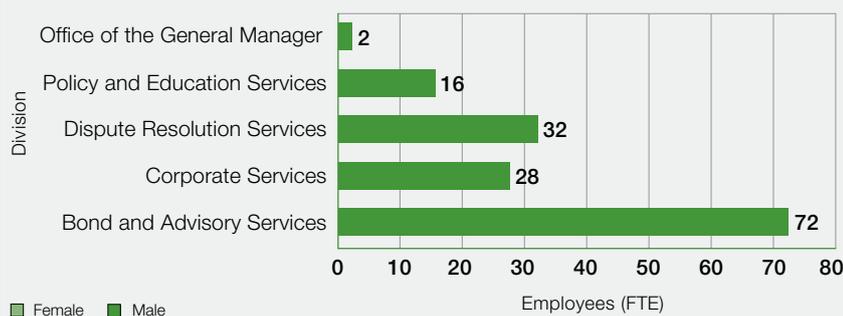
The RTA's Workforce Attitude Survey was conducted early in 2008, with a tremendous 88% return rate from staff.

Highlights from the survey include:

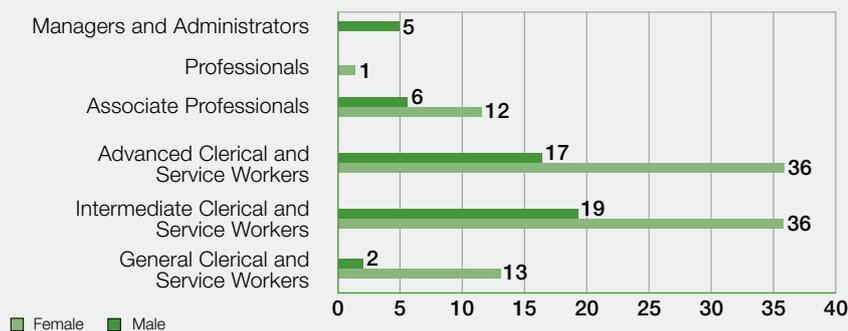
- overall the comparison with the Queensland Public Sector (QPS) was positive with nearly all measures exceeding the QPS average
- strong results were recorded for professional interaction, trust, knowledge sharing, and client understanding and effectiveness
- some of the challenges identified were to better address workplace stressors and enhance performance planning processes.

Facilitated workshops were held with all teams to discuss the results for each team and for the RTA as a whole. This resulted in the development of agreed action plans for individual work areas, divisions and the RTA as a whole. These plans are published on the RTA intranet and actions are being progressively implemented, with progress reported regularly to staff.

Employees (FTE) by division as at 30 June 2008



Employees by occupation\* and gender as at 30 June 2008



\* Based on Australian Standard Classification of Occupation

The RTA's strong focus on its people is encapsulated in its Workforce Strategic Plan 2007-10, which outlines the elements, strategies, actions and performance indicators required to help the RTA maintain and develop its workforce. It is designed to ensure staff have the appropriate mix of skills to meet our current and future needs and can continue to move the RTA forward as a leader in the residential rental sector. The plan recognises the importance of valuing and developing staff and providing a work environment that supports their general well-being and encourages job satisfaction. The key elements in this plan are: Capability, Workplace Environment, Workplace Culture, Leadership, and Performance.

### Building skills and knowledge

The 'Utilise Legislation' course was delivered as a three day program in both August 2007 and March 2008, with 20 staff attending in total. This accredited short course in tenancy law is delivered under a co-provider agreement with TAFE Open Learning.

Staff commencing with the RTA in 2007/08 participated in information sessions on 'Understanding Antidiscrimination Law'. These sessions continue to be an effective means of conveying essential information to staff and will be complemented by online refresher training for all staff every second year.

Consultation with Team Leaders was used to create two training calendars in 2007/08, published in July 2007 and January 2008. Common learning needs that emerged from this consultation process included coaching skills, project management skills and public sector writing.

### Fostering reward and recognition

Staff have continued to support the RTA's Reward and Recognition program, with the majority of nominations initiated by staff rather than managers. This program provides staff with the opportunity to highlight outstanding performance by individuals and teams. In 2007, there were a large number of high quality nominations received across the three categories



RTA staff member, Donna Champs (left) is presented with an award for going 'Beyond the Call of Duty' by Kathleen Wilson from Human Resources.

of 'Excellence in Job Performance', 'Above and Beyond the Call of Duty', and 'Project/Team Work Resulting in Excellence in Customer Service'.

### Maintaining a safe workplace

The RTA continued to maintain its high standard of workplace health and safety, with the incident rate remaining at a very low level. The average time lost due to an incident was 0.25 days in 2007/08 (compared with 0.24 days in 2006/07).

A range of initiatives were actioned during the year to maintain the RTA's strong health and safety record including:

- maintenance of a rehabilitation service for staff returning to the workforce after illness or injury
- achievement of reaccreditation under the *Workers' Compensation and Rehabilitation Act 2003* (May 2008)
- professional training in ergonomics undertaken by the RTA's Workplace Health and Safety Officer, enabling 'on the spot' assessments to be conducted of staff workstations and desk layouts
- installation of a fall protection system on the roof of the RTA building, providing greater safety for contractors undertaking rooftop maintenance
- refresher training in first aid, resuscitation and safety for selected staff in order to meet the requirements of their first aid and safety office positions
- flu vaccinations offered to all RTA staff prior to the onset of winter.

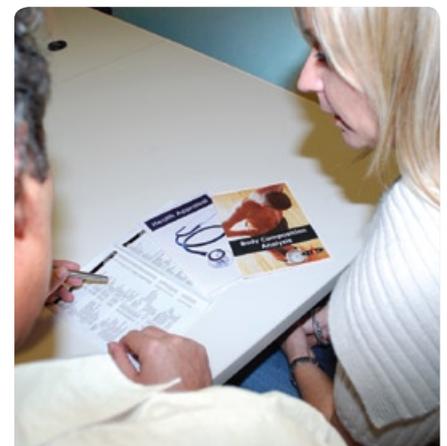
### Maintaining a healthy workplace

The RTA maintained its commitment to encouraging a healthy and motivational work environment by extending the RTA's

Corporate Health Program for a further 12 months. This program aims to encourage staff to take care of their health and provides the support needed to maintain their well-being over time.

In addition to enjoying safe and healthy working conditions, RTA staff are able to enjoy access to health information at work, enabling them to improve their well-being. Participation levels and feedback have continued to be very positive across the full range of activities. Events for staff in 2007/08 included Bone Density Screening, healthy cooking demonstrations, Flu Vaccinations, and Health Appraisals.

To complement the Corporate Health Program, a walking group called 'Walk@Work' commenced in early 2008. The combined effect of the Corporate Health Program and the walking group has encouraged a greater number of RTA staff to pursue a more active lifestyle.



A staff member undergoes a health appraisal as part of the RTA's Corporate Health Program.

# Our Organisation continued

## Communicating with our staff

The RTA continues to develop and enhance communications and feedback mechanisms across all levels of the organisation by maintaining regular formal and informal communications such as meetings and committees, emails and a variety of other communication tools.

A focus on internal communications was especially vital in 2007/08 with the implementation of the RTEO and the online e-Services (Phase 1) client facility. Internal communication strategies were specifically developed in conjunction with change management and training initiatives to ensure staff were kept fully informed.



Regular team and management meetings continue to be held to disseminate information throughout the organisation and the 'Workgroup Committee' (comprised of management and staff representatives) continues to meet on a monthly basis to address workplace issues and plan social activities.

The RTA's internal monthly staff newsletter *Open House* keeps staff informed on a range of operational issues such as changes in legislation, Code of Conduct updates and changes to the RTA website and intranet. *Open House* also provides an avenue for general social information for staff such as health and fitness segments, safety updates, social events, helping the environment and recognition of long serving staff members.

A 'Keeping in Touch' kit continues to be mailed every month to staff absent from the office for long periods (for reasons



RTA staff present a donation to the Ecumenical Coffee Brigade's Melissa Gannan (centre) from funds raised by staff during the year.

such as illness, secondment or maternity leave). This ensures they are kept informed of relevant workplace news at the RTA, assisting their return to the workplace.

## Supporting community projects

The RTA and its staff continued to support a variety of charitable causes throughout the year.

The Ecumenical Coffee Brigade (ECB) was again supported directly by RTA staff, who provided weekly cash donations (by way of a collection for wearing casual clothes on Friday) as well as contributions of non-perishable food, clothing and toiletries. Other charity groups were also supported throughout the year with staff participating in many other benevolent causes including annual fundraising events for the Cancer Foundation.

Savings from the inhouse production of the RTA's corporate Christmas card was again donated to the ECB in 2007.

## Supporting a positive RTA culture

A positive organisational culture is fostered by the RTA, encouraging innovation and creativity in a happy work environment. In addition to social activities held at a team level, a variety of 'RTA wide' activities were conducted throughout the year to support cross-divisional interactions. All RTA staff were invited to participate in the following events coordinated by the RTA social club:

- Mid-year dinner on the Kookaburra Queen
- Melbourne Cup luncheon
- Family Christmas Picnic and Annual Cricket Match
- Multicultural Morning Tea
- Warehouse Shopping Tour
- Outback Spectacular dinner.

A number of raffles were held throughout the year to help fund the above activities.



RTA staff get into the spirit of promoting multiculturalism at a staff morning tea.

## Our Environment

The RTA remains focused on building organisational awareness of environmentally friendly practices and continue to implement environmentally friendly initiatives including water conservation, recycling and responsible energy usage.

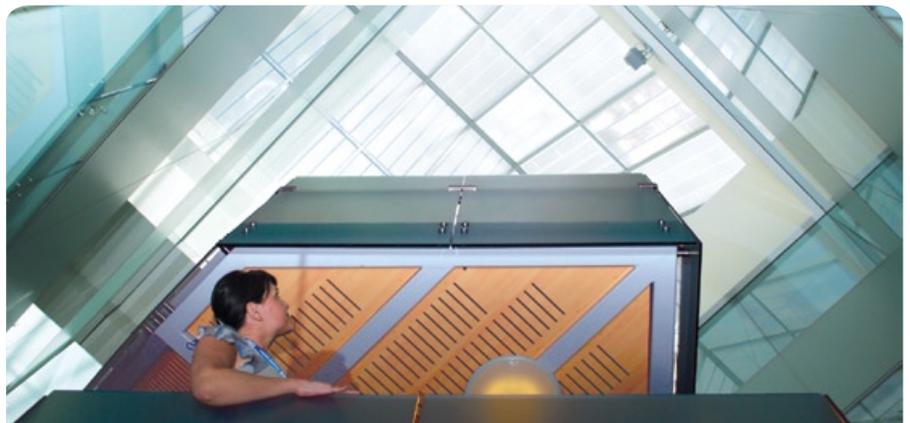
The RTA is proud of its efforts to achieve environmental sustainability and while a number of initiatives have already been implemented, more is being done to reduce impacts on our local environment that inevitably come with running a business. Environmental initiatives adopted by the RTA include:

- **Environmental education** – through the use of external publications such as *Update* and RTA Outreach events like the RNA Show, the RTA promotes the message of environmental sustainability. During a time when water remains a scarce resource in Queensland, the RTA is proud to provide information to our clients on ways to reduce water consumption. The RTA also promotes the resources of external organisations such as the Queensland Water Commission, again in a bid to educate the community on the preservation of water.
  - **WaterWise** – the RTA has actively promoted the advantages of utilising WaterWise, a Queensland Government initiative, through media statements, external publications and fact sheets, as well as through our Call Centre and RTA Outreach events.
  - **Internal communications** – through the RTA's monthly internal publication *Open House*, staff are regularly reminded of the organisation's environmental practices. Regular features are included which offer useful and practical tips on how to better protect the environment while inviting comments and new tips from staff members. The newsletter is issued electronically which again saves on the use of ink and paper.
  - **Water recycling** – given the precious nature of water in Queensland, all staff are actively encouraged to utilise the RTA water recycling bins. A large water container is located on each floor with staff directed to empty their unused water into it. This water is then used to water the RTA's plants, ensuring no water is going to waste.
  - **Water saving devices** – the RTA has ensured that all staff toilets are fitted with a dual flush function, saving thousands of litres of water every year. All internal taps are also fitted with aerators; again ensuring water is being saved and not wasted.
- **Use of natural lighting** – special blinds have been installed on all windows that allow staff members to better utilise the natural light permeating the building. This in turn reduces the need to be as heavily dependent on energy. Special blinds were also installed on overhead lighting panels providing a more natural lighting effect. These combined initiatives provide staff with adequate light in which to work without the need to enhance lighting within the workstation.
  - **No lights policy** – the nationwide 'Cool the Globe' campaign encourages participating organisations to 'turn off' the lights for an hour on one dedicated night per year. The RTA's no lights policy ensures that all unused lights are turned off not just on one night a year but every night. By ensuring that all lights are switched off, the RTA is cutting down on energy usage and, in turn, is helping to tackle climate change.
  - **Environmentally friendly skylight** – the RTA's offices at 33 Herschel Street feature an environmentally friendly skylight which utilises state of the art technology in a bid to foster better environmental practices in the workplace. Special computer etched glass was used in the construction of the skylight effectively allowing light to permeate the building while at the same time blocking out harmful UV rays from entering the workplace environment. The use of the skylight also allows the building to remain warm in winter thus reducing the need for excessive heating while blocking the heat from the sun during summer via direct deflection. The technology utilised in the skylight was featured in a study undertaken by the Queensland University of Technology.
  - **Printing reduction** – the RTA encourages all staff to think twice before they print a hard copy document. In cases where an electronic version will suffice, staff are

asked not to print material. By reducing the amount of printing and photocopying that occurs, the RTA saves both paper and printer cartridges. RTA staff are also encouraged to set their printing default to print double-sided; again further reducing the amount of paper that is being used. While it is impractical for the RTA to be 100% paperless, the organisation ensures that where possible, electronic copies are used as opposed to printing a hard copy.

- **Annual Report** – in keeping with the organisation's environmental practices, the RTA offers clients the option of receiving the Annual Report as an online PDF. This method is being actively promoted in an attempt to ensure more clients choose the electronic version over the hard copy.
- **Paper recycling** – every workstation in the RTA has a special bin placed under the desk for the sole purpose of collecting recyclable material, predominantly paper waste. The utilisation of the bins ensures that less material is being sent to landfill and more is being recycled.
- **Air conditioning overhaul** – the RTA has an extensive maintenance regime to ensure the air conditioning system is always working at its optimal level, thus providing a more energy efficient cooling system.
- **Fuel efficient company car** – when it came time for the purchase of a new fleet vehicle for the RTA, the decision was made to downsize and purchase a smaller more fuel efficient vehicle.

Best environmental practices are always a top priority for the RTA with the organisation dedicated to further enhancing its environmental achievements. While a range of environmental initiatives have already been instigated by the RTA and are yielding good results, the RTA is constantly searching for ways to better improve environmental sustainability.



The RTA's specially designed computer etched glass allows light to enter the main atrium while blocking harmful UV rays.

# Our Organisation continued

## Our Business Operations

The RTA continues to improve its systems and processes to ensure successful achievement of business goals. As a responsive organisation, the RTA applies creative thinking and new technology to provide practical solutions for our clients and greater accessibility to our services.

### Quality management

The RTA continues to demonstrate its commitment to providing excellence in customer service by ensuring all procedures and processes are thoroughly reviewed on a cyclical ongoing basis. The process of review, titled the 'Process Evaluation Procedure' (PEP) is an essential and key business driver that underpins the RTA's Quality Management System. The RTA continues to maintain its accreditation and again this year achieved certification to the International Quality Assurance Standard ISO 9001:2000. The Quality Audit was conducted by SGS Australia Pty Ltd. The auditor's comments and conclusions re-affirmed the RTA's robust methodology, its strong internal review processes, and staff commitment, all reinforcing the RTA as a quality organisation.

In recognising the importance of continuous improvement as part of the organisational culture, the RTA provides ongoing professional training and mentoring which allows our self directed teams to initiate the structured

### Recordkeeping success

The RTA's achievements in recordkeeping were recognised by the Queensland Branch of the Records Management Association of Australia in 2008. The RTA was awarded the '2008 Records Management Award for Excellence in Records Management' for 'outstanding group achievement in records and information management'.



*The RTA Recordkeeping team proudly show their award for excellence highlighting the organisation's commitment to transparency and accountability.*

evaluation process, identify improvement opportunities and achieve a great sense of satisfaction that their work is an effective contributor to the continuous improvement cycle. In 2007/08, 33 evaluations were undertaken as part of the PEP process from which 46 key opportunities for improvements were identified.

Apart from the formal PEP process that is well regarded and involves all staff at the RTA, other quality improvement initiatives are identified and range from updating and enhancing customer contact skills, call quality monitoring, an extensive training and development program and access to specialist programs to enhance the knowledge and capability of our frontline staff.

During the year, the RTA's Call Centre introduced 'SPEAK' (Skills, Performance, Experience, Attitude, Knowledge) as a staff development initiative to help maintain quality and consistency of client information.

### Technology at the RTA

The utilisation of new technology to enhance and streamline our systems and processes is fundamental to building the RTA's capacity to meet the growing demand for client services.

A major technological focus of 2007/08 was the ongoing development of the RTA's e-Services online facility.

On 27 August 2007, the RTA launched e-Services (Phase 1), an online bond management facility for real estate agents, caravan park owners and community housing groups. With the ease and convenience of online banking, e-Services has proven to be a great success with our clients with more than 60% of all RTA bonds held by the target audience now managed with the help of this facility. As at 30 June 2008, 1,323 agents had registered to use RTA e-Services and 3,142 electronic refunds had been performed using the service.

The second phase of e-Services is currently being developed, including the introduction of e-Lodgement facilities which will allow agents to lodge their bonds electronically with the RTA. Development is currently underway with the next phase due for delivery by early 2009. Additional services including enhanced bond transfer and refund facilities will progressively be introduced in the future.

To further improve the overall effectiveness of business operations, the RTA upgraded several key operational systems throughout the year including the finance and rental bonds systems to further enhance the RTA's processing capabilities.

### Providing safe, secure and efficient facilities

Due to increasing client demand it is imperative that RTA information and systems remain secure and operational. In 2007/08 the RTA further strengthened its risk management systems by minimising risk to business processes via two key strategic initiatives, the ongoing provision of a disaster recovery facility for all business critical systems and the establishment of a business continuity site.

The RTA's business continuity site provides a contingency in the event of an emergency resulting in the RTA's Herschel Street offices being unavailable. Located at Eight Mile Plains, 15kms from the Brisbane CBD, this facility provides the RTA with the capability to relocate staff and use its backup systems at the disaster recovery site in Robina in the case of a disaster situation.

With comprehensive backup facilities now in place, the RTA can provide timely recovery of business critical systems should core components become seriously interrupted or be otherwise unavailable. The development of this site allows the RTA to take advantage of advanced technologies for improved operational sustainability and restore client services promptly.

The RTA partnered with the Building Services Authority (BSA) to house its disaster recovery servers and fax gateway at BSA's existing facility at Robina. The RTA's disaster recovery facility at Robina was further enhanced during the year to ensure all business critical systems including bond administration, bond faxing, including the service to Australia Post outlets, imaging, and financial systems are replicated. Components of the RTA's existing hardware and software configurations continue to be upgraded to enable the organisation to take advantage of advanced facilities such as remote 'lights out' management, data replication and online performance monitoring to enable technical staff to control the environment.

Bond and financial systems are now able to operate in full recovery mode along with the imaging and fax gateway systems, resulting in all the RTA's current business critical systems being operational at the disaster recovery facility.

### Focus on business improvement

In 2007/08, a Business Improvement Support team was established to facilitate the progress of several important RTA initiatives designed to build capacity in response to growing demand for client services. The progress of these projects is detailed on the following page.

## Enhanced recordkeeping systems

During 2007/08 the RTA progressed its recordkeeping project which aims to embed good recordkeeping practices within standard RTA business processes and systems. The Strategic Recordkeeping Implementation Plan (SRIP), Operational Recordkeeping Implementation Plan (ORIP) and project management plans were updated to reflect the RTA's current recordkeeping focus and priorities.

With a vision of 'achieving best practice recordkeeping' future stages of the ORIP are planned to be completed by 2011, building on the solid foundation being laid in the first stage.

## Intranet redevelopment

To enable staff to better meet the needs of our clients, the RTA continued its comprehensive review of the existing Intranet system throughout the year. The RTA's existing Intranet provides access to a vast collection of information that staff across the organisation require to effectively perform their roles and daily duties.

The Intranet Development Project will ensure all RTA staff have improved access to consistent, reliable, accurate and relevant information resources.

## Corporate Governance Framework

In 2007/08, work continued on enhancing the Corporate Governance Framework for the RTA, bringing together documents which outline the way in which the RTA is governed and managed in order to achieve its strategic goals and operate with integrity.

The overarching Corporate Governance Framework describes current management structures and standards as well as internal and external mechanisms used to ensure the organisation meets statutory obligations and controls required for effective corporate governance. In addition to developing the overarching framework, the project involves the development and review of the component documents, applying standards to ensure consistency.

This framework will include a reliable and easily accessible system to store and retrieve the latest versions of policies, procedures, plans, reports and charters which are required for effective corporate governance at the RTA.

For more information on the RTA's Corporate Governance and Risk Management Frameworks, see pages 14 and 15.

## Our Finances

The RTA is a self-funded statutory authority, with revenue sourced primarily from investment of rental bonds lodged with the RTA in accordance with legislation. The 2007/08 financial year continued with solid investment growth driven by a 15.5% overall increase in bond lodgements of \$58.321m, compared to \$45.933m in 2006/07. In 2007/08, the RTA's investment returns were affected by the downturn in world markets. The RTA continued its review of financial investment strategies with the Queensland Investment Corporation (QIC), the Queensland Government's investment manager, to achieve a sound return on our investments given market conditions. Continued strong financial management of operational expenditure has assisted the RTA to achieve only a small deficit of \$1.056m.

Expense growth was 14.1% higher with the increases in employment costs of \$0.988m (11.2%) and increased grant payments of \$1.746m (35.8%). This result is analysed in greater detail below.

## Operating income

The RTA's core responsibility and principal activity is to administer the *Residential Tenancies Act 1994* and the *Residential Services (Accommodation) Act 2002* and to provide services in accordance with those Acts. In order to remain self sufficient, the RTA relies on investment returns on financial assets to fund operational expenses. Hence, the RTA's financial performance and financial position are dependent on achieving adequate investment returns.

Net financial assets classified as financial instruments held at the RTA as at 30 June 2008 are \$38.398m compared to \$39.901m the previous year. This is represented by financial assets of \$476.310m (cash and investments) less financial liabilities of \$437.912m (being rental bonds and unclaimed monies held on behalf of clients).



RTA Accountant, Lynda Delaforce, meets with Junaide Latif from Cranstoun & Hussein to discuss the organisation's financial position.

The RTA has derived the following financial information for the financial year ended 30 June 2008 and prior from audited financial statements and related notes prepared in accordance with Australian Equivalents to International Financial Reporting Standards (where appropriate) the *Financial Administration and Audit Act 1977*, the *Financial Management Standard 1997* and Australian Accounting Standards (including the Australian Accounting Interpretations).

The financial statements were reported on by an independent auditor directly appointed by the Queensland Audit Office. The Auditor-General delegated Mr Junaide Latif of Cranstoun & Hussein the authority to conduct the audit commencing for the financial year 2006/07 for a period of three years.

The average rate of return on investments was 5.25% against a benchmark return of 7.25%. The result has been an operating income of \$23.263m, down \$7.309m on the result achieved in 2006/07.

The RTA invests cash in accordance with Section 80 and 81 of the *Residential Tenancies Act 1994*. Investments are held with QIC and allocated across a range of funds approved by the Treasurer:

### Allocation of investment funds

Fund Type	Investment Range	Amount invested as at 30 June 2008 \$'000	Allocation 30 June 2008
Cash Enhanced Fund	30% - 70%	209,843	44.2%
Global Credit Fund	25% - 45%	172,064	36.3%
Property Fund	0% - 20%	47,007	9.9%
Global Credit Opportunities Fund	0% - 20%	41,051	8.7%
Overlay		4,653	1.0%
<b>Total</b>		<b>474,618</b>	<b>100%</b>

# Our Organisation continued

## Operating expenditure

Operating expenditure increased by \$2.996m to \$24.319m. This increase was due to a number of factors.

## Employee Expenses

The staff of the RTA remain a key resource in the organisation's ability to provide services across Queensland.

Employee Expenses rose by 11.2% from \$8.851m in 2006/07 to \$9.839m in 2007/08. This is attributable to core agreement increases and a moderate increase in staff levels to enable enhanced service delivery and to meet current demands placed on the RTA by the growing Queensland rental market.

## Supplies and Services

Supplies and Services decreased by 2.7% from \$6.648m in 2006/07 to \$6.467m in 2007/08. Generally, the overall decrease in costs is due to the reduction in agency staff and greater utilisation of permanent staff.

The RTA sought for the first time additional accommodation and now leases 254m<sup>2</sup> on level six, 183 North Quay.

## Depreciation and Amortisation

Depreciation and Amortisation increased by 38.8% from \$670,000 to \$930,000 as internally generated software and other assets became operational and depreciable. The RTA continues to utilise new technology as it progresses towards the provision of electronic services.

## Other expenses

Other expenses decreased by \$56,000 (21.9%).

## Grants and Subsidies

There are several major grants that the RTA provides each year:

RTA Grants		
	2008	2007
Grant	\$'000	\$'000
Housing Affordability Grant	3,100	1,500
Lady Bowen Trust	100	-
RTA Community Education Public Grants Scheme	80	159
Tenant Advice and Advocacy Service (Qld) Grant	3,175	3,210
Other grants	165	5
<b>Total</b>	<b>6,620</b>	<b>4,874</b>

Grants and subsidies increased by 35.8% from \$4.874m in 2006/07 to \$6.620m in 2007/08. The RTA increased grant allocation in regard to the Housing Affordability Grant from \$1.500m in 2006/07 to \$3.100m in 2007/08.

## Improved efficiency

The RTA continues to successfully manage its transaction costs through the increased uptake of electronic transactions such as direct credit of bond refunds and clients utilising the website to gain access to forms that can be downloaded, reducing the cost of postage for the RTA.

This process has become even more streamlined with the introduction of e-Services. The RTA's e-Services allows agents to monitor their rental bonds online at any time, without the requirement for direct contact with RTA staff.

## Cost per client activity

To value the financial effectiveness of the delivery of client services, the RTA calculates the average cost to service a client. This analysis assists managers to maximise value and improve corporate performance.

The following graphs outline the average cost per client activity for the key RTA services to clients in 2006/07 and 2007/08 for four activities:

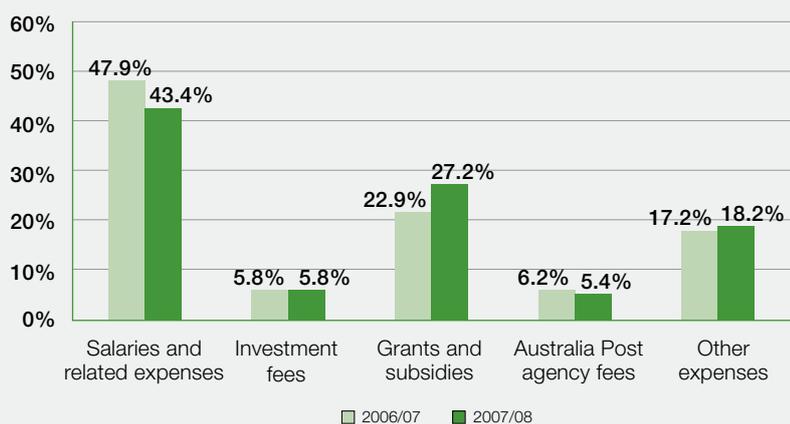
- client enquiries to the Call Centre
- bond forms processed (including lodgements, refunds and change of details)
- dispute resolution requests received
- investigations commenced.

All overhead costs including corporate support, governance and administration are included in the activity costs and have been allocated using appropriate cost drivers.

For 2007/08, the RTA was able to respond to a telephone call for \$9.89, down from \$10.23 the previous year. This is due to improved productivity in the delivery of this service through labour and technology. The average cost to process a bond form however has increased from \$9.57 in 2006/07 to \$10.04 in 2007/08 reflecting increased printing and labour costs.

To lodge a dispute and manage the resolution process, the cost increased by \$3 to \$224 for 2007/08. Investigations have the highest activity cost of all RTA services at \$1,144, which reflects that criminal law prosecutions may be involved and thorough processes must be followed to collect evidence to meet standards required by law.

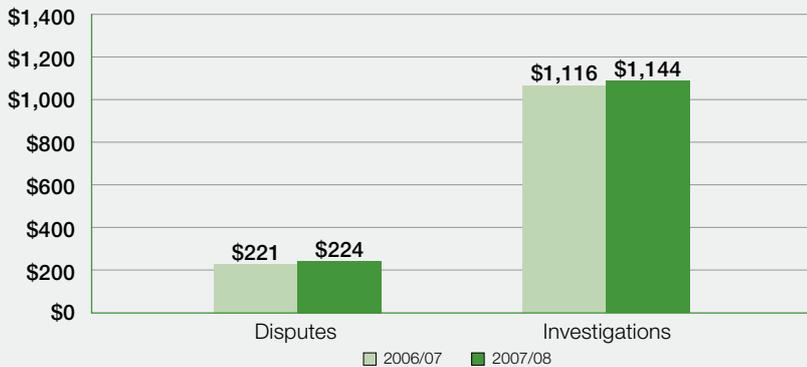
## Expenditure by type



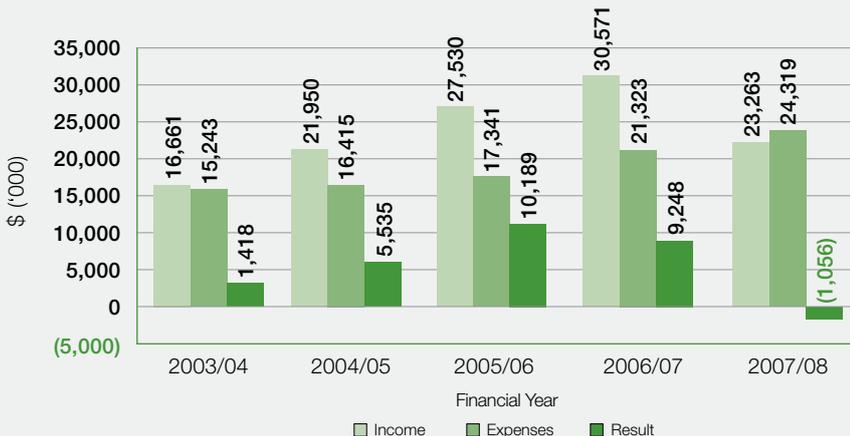
### Cost per activity – Bond Administration and Call Centre



### Cost per activity – Dispute Resolution and Investigations



### Financial performance – 2003/04 to 2007/08



### Financial performance

The financial performance of the RTA has been strong in recent years as indicated by the chart above. The chart highlights the relationship between the level of investment revenue, expenditure and surplus or deficit achieved for the last five years.

Though the RTA achieved an operating deficit for 2007/08 of \$1.056m, significant investment returns coupled with prudent

operating expenditure in the past five years have contributed to the financial health of the organisation. While the RTA operated on an income stream below what was required to fund the services and functions of the organisation and grants for 2007/08, the RTA has ensured that investment funds are strategically managed for long term benefits to ensure that service delivery will continue into the future without disruption.

### Reserves

The RTA has established two reserves that are distinct from accumulated surplus that form total equity.

#### Investment Fluctuation Reserve

The Investment Fluctuation Reserve was established by the RTA Board in June 2005 to address the uncertainty of investment returns and the subsequent impact on net equity.

The reserve had been increased since establishment growing to \$14.800m as at 30 June 2007. With the lower than anticipated investment returns received for the 2007/08 year, the reserve was reduced to \$7.492m. The transfer from the reserve was to reflect the revenue received below benchmark in accordance with RTA policy.

#### Asset Revaluation Reserve

The RTA is the sole and outright owner of its business premises at 33 Herschel Street, Brisbane. Since acquisition in 1998, it has proven to be an excellent investment for the organisation providing the RTA with a good return and the foundation for the RTA's statewide services.

In recent years, there have been significant increases in land values, particularly within the CBD. Management sought the opinion of an independent valuer during 2006/07 to perform a current market valuation of both land and buildings and this process was performed again in 2007/08. The revaluation concluded that 33 Herschel Street was now valued at \$10.600m as at 30 June 2008.

The balance of the Asset Revaluation Reserve as at 30 June 2008 is \$6.446m.

### Financial position

The RTA has a very healthy balance sheet, with no debt and a high level of very liquid assets.

Total equity decreased by 0.6% from 2006/07. The strong performance of past years has provided a solid balance sheet position with total net assets of \$50.758m. Though equity in total is not all liquid, an analysis of cash assets less liabilities provides a meaningful breakdown of the strength of the RTA to pay its debts as and when they fall due. The cash component of equity has decreased from \$37.590m as at 30 June 2007 to \$36.296m as at 30 June 2008. This decrease of \$1.294m (in terms of liquid cash available for operations) is primarily due to the deficit result for the year.

The RTA needs to protect its assets from market volatility and to achieve this end,

# Our Organisation continued

RTA investments are managed with three basic principles:

- 1) Set a realistic target return based on market research and conservative estimates
- 2) Active management, monitoring and application of proactive measures in administering the overall investment strategy to minimise the potential for deficits in any year
- 3) Forecasting volatilities of liquid equity over a rolling five year period to ensure long-term financial sustainability.

## Financial outlook

The RTA is committed to ensuring prudent management of our investments through agreed strategies and processes.

Given current market uncertainty, the RTA is working closely with investment partner, QIC, to ensure that investment risks are managed.

Despite higher costs primarily driven by rising labour costs and servicing a growing market, the RTA anticipates an operating surplus of \$7.309m for the 2008/09 financial year.

The RTA has continued to focus on business improvements and on enhancing its internal financial and budgetary management practices and processes. The implementation of the Residential Tenancies Employing Office, a labour service entity to the RTA, is planned for 1 July 2008. This will include upgrading financial systems and processes, and additional budgeting and the provision

of consolidated reporting. End-of-month processes will also be further enhanced for business purposes with improvements to accrual information.

The External Auditor has noted that the RTA has a sound financial reporting framework in place that incorporates key financial and non-financial measures in monitoring its performance and financial management.

Following six years of internal audit provided by Deloitte, the RTA appointed HLB Mann Judd for a three year term for the provision of internal audit services. This appointment will commence on 1 July 2008.

The RTA continues to monitor recently issued QAO audit reports and implements the recommendations where appropriate. The RTA received an unqualified audit report for its financial statements for the 2007/08 financial year.

## Future priorities – Our Organisation

Key activities for 2008/09 are to:

### Our People:

- Ensure ongoing parity of salary and working conditions for RTEO staff by participating as a party in the negotiations for the 2009 State Government Department's certified agreement.
- Review and update content of 'Utilise Legislation' training to reflect amendments to *Residential Tenancies Act 1994* and the *Residential Services (Accommodation) Act 2002* and provide necessary training to all RTA staff.
- Conduct a review of the RTA Performance Development Scheme and Policy.
- Commence rollout of multicultural training for all staff.

### Our Environment:

- Continue to implement environmentally friendly initiatives such as the initiation of an RTA energy audit to further reduce energy usage.

### Our Business Operations:

- Continue redevelopment of RTA Intranet.
- Develop and review the required component documents of the Corporate Governance Framework.
- Continue to progress the Operational Recordkeeping Implementation Plan.
- Finalise development of RTA's e-Services (Phase 2) for implementation in early 2009.

### Our Finances:

- Implement agreed investment strategies to manage investment risks and achieve a target return on the Investment Portfolio of 7.75%.
- Ensure sound financial management, including compliance with all legal and contractual obligations.
- Through compliance and risk management, contribute to the effective management of the RTA's resources, to enable the organisation to achieve its objectives.

## RTA office expansion

In response to growing demand for client services, work continued in 2007/08 to expand the RTA's office space.

In early 2008, the RTA leased additional office space located at 183 North Quay. The new office space is literally 'just around the corner' from the RTA's main offices at Herschel Street, minimising disruption to operations.

This new office has an extra 18 new workstations, a training facility for staff and additional storage space.

The RTA will continue to monitor service demand and review future accommodation needs as required to ensure our infrastructure remains accessible and responsive to growing client service needs.



# General Purpose Financial Report

for the year ended 30 June 2008

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### Management Certificate

#### Auditor's Report on the Financial Statements

This financial report is a general purpose financial report of the Residential Tenancies Authority and is presented in Australian Currency. The Residential Tenancies Authority is a Queensland Government Statutory Authority constituted under the *Residential Tenancies Act 1994*. The RTA is controlled by the State of Queensland which is the ultimate parent.

The head office and principal place of business of the RTA is: 33 Herschel Street,  
BRISBANE QLD 4000.

# Income Statement

for the year ended 30 June 2008

		2008	2007
	Notes	\$'000	\$'000
<b>INCOME</b>			
Interest and Investment Revenue	2	23,245	30,554
Other Revenue	2	18	17
<b>Total Income</b>		<b>23,263</b>	<b>30,571</b>
<b>EXPENSES</b>			
Employee Expenses	4	9,839	8,851
Supplies and Services	5	6,467	6,648
Grants and Subsidies	6	6,620	4,874
Depreciation and Amortisation	7	930	670
Loss from Disposal of Assets	3	263	24
Other Expenses	8	200	256
<b>Total Expenses</b>		<b>24,319</b>	<b>21,323</b>
<b>OPERATING (DEFICIT) SURPLUS</b>		<b>(1,056)</b>	<b>9,248</b>

This Income Statement is to be read in conjunction with the attached Notes.

# Balance Sheet

as at 30 June 2008

		2008	2007
	Notes	\$'000	\$'000
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	9	1,468	496
Other Financial Assets	10	474,618	417,796
Receivables	11	249	209
Other Assets	12	180	196
<b>TOTAL CURRENT ASSETS</b>		<b>476,515</b>	418,697
<b>NON-CURRENT ASSETS</b>			
Intangible Assets	13	2,385	2,175
Property, Plant and Equipment	14	11,637	10,831
Other Assets	12	11	43
<b>TOTAL NON-CURRENT ASSETS</b>		<b>14,033</b>	13,049
<b>TOTAL ASSETS</b>		<b>490,548</b>	431,746
<b>CURRENT LIABILITIES</b>			
Payables	15 a	1,727	719
Rental Bonds and Unclaimed Monies	15 b	436,185	377,864
Accrued Employee Benefits	16	833	1,001
<b>TOTAL CURRENT LIABILITIES</b>		<b>438,745</b>	379,584
<b>NON-CURRENT LIABILITIES</b>			
Accrued Employee Benefits	16	1,045	1,118
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>1,045</b>	1,118
<b>TOTAL LIABILITIES</b>		<b>439,790</b>	380,702
<b>NET ASSETS</b>		<b>50,758</b>	51,044
<b>EQUITY</b>			
Accumulated Surplus	18	36,820	30,568
Asset Revaluation Reserve	17, 19	6,446	5,676
Investment Fluctuation Reserve	17	7,492	14,800
<b>TOTAL EQUITY</b>		<b>50,758</b>	51,044

This Balance Sheet is to be read in conjunction with the attached Notes.

# Statement of Changes in Equity

for the year ended 30 June 2008

	\$'000	\$'000	\$'000	\$'000
<b>2008</b>	Accumulated Surplus	Asset Revaluation Reserve	Investment Fluctuation Reserve	Total Equity
Balance at Beginning of the Reporting Period	30,568	5,676	14,800	51,044
Revaluation of Property, Plant and Equipment	-	770	-	770
Transfers to (from) Investment Fluctuation Reserve	7,308	-	(7,308)	-
Net movements recognised directly in equity	7,308	770	(7,308)	770
Change in Net Assets recognised in the Income Statement	(1,056)	-	-	(1,056)
<b>Balance at the end of the reporting period</b>	<b>36,820</b>	<b>6,446</b>	<b>7,492</b>	<b>50,758</b>

	\$'000	\$'000	\$'000	\$'000
<b>2007</b>	Accumulated Surplus	Asset Revaluation Reserve	Investment Fluctuation Reserve	Total Equity
Balance at Beginning of the Reporting Period	25,320	1,777	10,800	37,897
Revaluation of Property, Plant and Equipment	-	3,899	-	3,899
Transfers to (from) Investment Fluctuation Reserve	(4,000)	-	4,000	-
Net movements recognised directly in equity	(4,000)	3,899	4,000	3,899
Change in Net Assets recognised in the Income Statement	9,248	-	-	9,248
<b>Balance at the end of the reporting period</b>	<b>30,568</b>	<b>5,676</b>	<b>14,800</b>	<b>51,044</b>

This Statement of Changes in Equity is to be read in conjunction with the attached Notes.

# Cash Flow Statement

for the year ended 30 June 2008

		2008	2007
	Notes	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Inflows</b>			
Interest Income		223	125
Bond Lodgements		284,155	246,881
Investment Income		23,014	30,417
Other Operating Receipts		18	12
GST Collected on Sales		3	8
GST Refunds Received		1,302	1,179
<b>Outflows</b>			
Bond Claims		(225,836)	(201,494)
Employee Benefits and On-costs		(10,066)	(8,364)
Supplies and Services		(5,350)	(6,288)
Grants and Subsidies		(6,620)	(4,874)
Other Expenses		(209)	(207)
GST Paid on Purchases		(1,401)	(1,185)
<b>Net Cash provided by Operating Activities</b>	20	<b>59,233</b>	56,210
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Inflows</b>			
Proceeds from sale of Investment Securities		1,000	4,500
<b>Outflows</b>			
Purchase of Property, Plant & Equipment and Intangible Assets		(1,439)	(2,172)
Purchase of Investment Securities		(57,822)	(58,610)
<b>Net Cash used in Investing Activities</b>		<b>(58,261)</b>	(56,282)
<b>Net Increase/(Decrease) in cash held</b>		<b>972</b>	(72)
Cash and Cash Equivalents as at beginning of financial year		496	568
<b>Cash and Cash Equivalents at end of financial year</b>	20	<b>1,468</b>	496

This Cash Flow Statement is to be read in conjunction with the attached Notes.

# Notes to, and forming part of, the Financial Statements

for the year ended 30 June 2008

## OBJECTIVES AND PRINCIPAL ACTIVITIES OF THE RTA

The Residential Tenancies Authority (the RTA) is a self-funded regulatory body committed to providing targeted services to meet the diverse needs of Queensland's residential rental sector. The RTA's core responsibility and principal activity is to administer the *Residential Tenancies Act 1994* and the *Residential Services (Accommodation) Act 2002* and to provide services in accordance with those Acts.

Information in relation to the RTA's principal activities and other information including financial statements are available on our website: [www.rta.qld.gov.au](http://www.rta.qld.gov.au)

The RTA was established pursuant to the *Residential Tenancies Act 1994* (the Act).

In terms of Section 289 of the Act, the RTA's functions are:

- (a) to ensure the proper administration and enforcement of this Act and the Accommodation Act;
- (b) to receive, hold and pay rental bonds under this Act and the Accommodation Act;
- (c) to give advice to the Minister about:
  - i. residential tenancy issues and residential services issues generally;
  - ii. the operation of this Act and the Accommodation Act in particular;
- (d) without limiting paragraph (c), to give advice to the Minister about:
  - i. the application of this Act to agreements, premises or entities;
  - ii. the application of this Act or the Accommodation Act to residential service agreements, rental premises under the Accommodation Act or entities;
- (e) to provide information, educational and advisory services about the operation of this Act and the Accommodation Act;
- (f) to collect and analyse information about residential tenancy issues and residential services issues;
- (g) to provide a conciliation service to parties to disputes about agreements and residential service agreements;
- (h) to intervene in, or support, proceedings about the application of this Act to agreements and proceedings about the application of the Accommodation Act to residential service agreements;

- (i) to perform other functions given to the RTA under this Act or another Act; and
- (j) to perform functions incidental to its other functions.

The RTA is a statutory body under Section 5 of the *Financial Administration and Audit Act 1977*. The RTA falls within the portfolio of the Minister for Public Works, Housing and Information and Communication Technology.

## Note 1. Summary of Significant Accounting Policies

### (a) Basis of Accounting

The financial statements have been prepared in accordance with *Australian Equivalents to International Financial Reporting Standards* (AEIFRS), where appropriate.

This financial report is a general purpose financial report. It has been prepared in accordance with the *Financial Administration and Audit Act 1977*, *Financial Management Standard 1997* and applicable Australian Accounting Standards (including the Australian Accounting Interpretations).

Except where stated, the historical cost convention is used.

### (b) The Reporting Entity

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the RTA. As at the reporting date, the RTA does not control any other entities. However, on 23 April 2007, the Queensland Parliament passed the *Statutory Bodies Legislation Amendment Act 2007* which amended the *Residential Tenancies Act 1994*. These amendments included the establishment of the Residential Tenancies Employing Office (hereafter referred to as the 'Employing Office') as a separate statutory body for the purposes of the *Financial Administration and Audit Act 1977*. In relation to the Employing Office, there were no transactions prior to 30 June 2008 and no assets and liabilities existing as at 30 June 2008. Accordingly, a separate financial report for the 2007/08 financial year has not been prepared by the Employing Office and no financial consolidation of the Employing Office and the RTA has occurred.

The Residential Tenancies Employing Office commenced trading on 1 July 2008 (refer note 28).

### (c) Revenue Recognition

The RTA invests cash in accordance with Section 80 and 81 of the *Residential Tenancies Act 1994* and Regulations thereto. Investments are held with Queensland Investment Corporation (QIC) and allocated across a range of funds. All investment returns, positive or negative, are recognised as revenue in the income statement.

### (d) Cash and Cash Equivalents

For the purposes of the Balance Sheet and the Cash Flow Statement, cash assets include all cash and cheques received but not banked at 30 June as well as deposits at call with financial institutions.

### (e) Other Financial Assets

Investments, held by the QIC, are available at call. Investments are held at market value. The RTA manages its exposure to interest rate fluctuations on cash and investments through compliance with government legislation and a formal set of policies and procedures.

The RTA does not engage in any transactions for speculative purposes.

### (f) Receivables

The collectibility of receivables is assessed periodically with full determination of the relevance for a provision for impairment. All known impaired debts have been written off during the year.

Other debtors generally arise from transactions outside the usual operating activities of the RTA and are recognised at their assessed values.

All receivables are non-interest bearing and no security has been obtained.

### (g) Acquisitions of Assets

Actual cost is used for the initial recording of all non-current physical and intangible asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees. However, any training costs are expensed as incurred.

### (h) Property, Plant and Equipment

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Buildings	\$10,000
Plant and Equipment	\$5,000
Land	\$1

Items with a lesser value are expensed in the year of acquisition.

Land improvements undertaken by the RTA are included with Buildings.

### (i) Revaluations of Non-Current Physical and Intangible Assets

Land, buildings, infrastructure and major plant and equipment are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment* and Queensland Treasury's *Non-Current Asset Accounting Policies for the Queensland Public Sector*.

Where intangible assets have an active market, they are measured at fair value; otherwise they are measured at cost.

Plant and equipment, other than major plant and equipment, is measured at cost. The carrying amounts for plant and equipment at cost should not materially differ from their fair value.

Non-current physical assets measured at fair value are comprehensively revalued at least once every five years with interim valuations, using appropriate indices, being otherwise performed on an annual basis where there has been a material variation in the index.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation reserve of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation reserve relating to that class. On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of the remaining useful life.

Only those assets, the total values of which are material compared to the value of the class of assets to which they belong, are comprehensively revalued. Separately

identified components of assets are measured on the same basis as the assets to which they relate.

### (j) Intangibles

Intangible assets with a cost or other value greater than \$100,000 are recognised in the financial statements, items with a lesser value being expensed. Each intangible asset is amortised over its estimated useful life to the RTA, less any anticipated residual value. The residual value is zero for all the RTA's intangible assets.

It has been determined that there is not an active market for any of the RTA's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses (where applicable).

#### *Purchased Software*

The purchase cost of software has been capitalised and is amortised on a straight-line basis over the period of the expected benefit to the RTA, generally three years.

#### *Internally Generated Software*

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred.

Costs associated with the development of computer software have been capitalised and are amortised on a straight-line basis over the period of expected benefit to the RTA, generally three to five years.

### (k) Amortisation and Depreciation of Intangibles and Property, Plant and Equipment

Land is not depreciated as it has an unlimited useful life.

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to the RTA.

Any assets under construction (work-in-progress) are not depreciated until they reach service delivery. Where assets have separate identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable

amount is depreciated over the remaining useful life of the asset to the RTA.

Major additions purchased specifically for particular assets are capitalised and depreciated on the same basis as the asset to which they relate.

The depreciable amount of improvements to or on leasehold property is allocated progressively over the estimated useful life of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of the lease includes any option period where exercise of the option is probable.

For each class of depreciable asset, the depreciation and amortisation is determined on the straight line method based on the estimated useful life of the asset:

Class	Useful Life (years)
Buildings	40
Plant and Equipment:	
Leasehold improvements	2
Other equipment	3 to 20
Intangible Assets:	
Software Purchased	3
Software Internally Generated	3 to 5

### (l) Impairment of Non-Current Assets

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the RTA determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value, less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Income Statement, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation reserve of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been

# Notes to, and forming part of, the Financial Statements

for the year ended 30 June 2008

determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a valuation increase. Refer also note 1(i).

## (m) Operating Leases

An operating lease is where the lessor retains substantially all risks and benefits associated with the ownership of the asset. Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred.

The RTA has no finance leases.

## (n) Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

## (o) Rental Bonds and Unclaimed Monies

In accordance with Section 59 of the *Residential Tenancies Act 1994* and regulations thereto, a person receiving a rental bond must, within 10 days of receiving it, pay it to the RTA. These bonds are withdrawn when the tenancies are terminated, which can be at any time following bond lodgement. In accordance with AASB 139, bonds are a financial liability and are regarded as being payable on demand. The fair value of a financial liability with a demand feature is not less than its carrying value. Bond lodgements are recognised as current liabilities.

Unclaimed monies represent cheques issued and returned or still unrepresented. Such refunds of bonds are regarded as unclaimed 15 months following issue. These are disclosed as current liabilities and are recognised at the face value of the bond. Unclaimed monies do not lose the demand feature associated with the bond and are therefore recognised at face value and are not discounted.

## (p) Financial Instruments

### Recognition

Financial assets and financial liabilities are recognised in the Balance Sheet when the RTA becomes party to the contractual provisions of the financial instrument.

### Classification

Financial instruments are classified and measured as follows:

- Cash and cash equivalents – held at fair value through profit and loss
- Receivables – held at amortised cost
- Payables – held at amortised cost

The RTA does not enter transactions for speculative purposes, nor for hedging. Apart from cash and cash equivalents, the RTA holds no financial assets classified at fair value through profit and loss.

All disclosures relating to the measurement basis and financial risk management of other financial instruments held by the RTA are included in Note 23.

## (q) Employee Benefits

### Wages, Salaries, Annual Leave, Long Service Leave, Time-off-in-lieu (TOIL) and Sick Leave

Wages, salaries, annual leave, long service leave and TOIL due but unpaid at reporting date are recognised in the Balance Sheet at the remuneration rates expected to apply at the time of settlement. Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not included in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses. Employer superannuation contributions are regarded as employee benefits.

For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their undiscounted values. For those entitlements not expected to be paid within 12 months, the liabilities are classified as non-current liabilities and recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

### Superannuation

All compulsory employer superannuation contributions are paid to QSuper, with the

exception of superannuation for Board members. The QSuper superannuation scheme is for Queensland Government employees, at rates determined by the State Actuary. All superannuation contributions are expensed in the period in which they are paid or payable. The RTA's obligation is limited to its contribution to QSuper or any other superannuation fund and there is no responsibility by the RTA to cover any shortfall in any of the funds' obligation to provide benefits to employees or Board members on retirement.

Therefore, no liability is recognised for accruing superannuation benefits in these financial statements, the liability being held on a whole-of-Government basis and reported in the financial report prepared pursuant to AAS 31 *Financial Reporting by Governments*.

### Executive Remuneration

The executive remuneration disclosures in the employee expenses note (Note 4) in the financial statements include:

- The aggregate remuneration of all senior executive officers (including the General Manager) whose remuneration for the financial year is \$100,000 or more; and
- The number of senior executives, whose total remuneration for the financial year falls within each successive \$20,000 band, commencing at \$100,000.

The remuneration disclosures in Note 4 include all remuneration paid or payable, directly or indirectly, by the RTA or any related party in connection with the management of the affairs of the RTA whether as an executive or otherwise. For this purpose, remuneration includes:

- wages and salaries;
- accrued leave (that is, the nominal increase/decrease in the amount of annual and long service leave owed to an executive, inclusive of any increase in the value of leave balances as a result of salary rate increases or the like);
- accrued superannuation (being the value of all employer superannuation contributions during the financial year, both paid and payable as at 30 June);
- car parking benefits and the cost of motor vehicles, such as lease payments, fuel costs, registration/insurance, and repairs/maintenance incurred by the agency during the

financial year, both paid and payable as at 30 June, net of any amounts subsequently reimbursed by the executives;

- allowances (which are included in remuneration agreements of executives, such as airfares or other travel costs paid to/for executives whose homes are situated in a location other than the location they work in); and
- fringe benefits tax included in remuneration agreements.

The disclosures apply to all senior executives appointed by the Governor in Council and classified as SES1 and above, or an equivalent thereto, with remuneration above \$100,000 in the financial year. 'Remuneration' means any money, consideration or benefit, but excludes amounts:

- paid to an executive by the RTA where the person worked during the financial year wholly or mainly outside Australia during the time the person was so employed; or
- in payment or reimbursement of out-of-pocket expenses incurred for the benefit of the RTA.

In addition, separate disclosure of separation and redundancy/termination benefit payments is included where applicable.

#### **(r) Insurance**

The RTA's non-current physical assets and other risks are insured through various insurance companies managed by broker 'Willis Australia Pty Ltd'; all premiums being on a risk assessment basis.

The RTA pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

#### **(s) Investment Fluctuation Reserve**

The Investment Fluctuation Reserve was established in August 2005 at \$8.8m to recognise and potentially minimise the impact of marginal and/or negative future investment returns.

#### **(t) Taxation**

The RTA is a state body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax and Goods and Services Tax (GST). As such, GST credits receivable from/payable

to the ATO are recognised and accrued. It should be noted that the investment activity of the RTA is part of the RTA's overall enterprise. Accordingly, the RTA is subject to Division 70 of the GST Act which reduces the entitlement for GST refundable for acquisitions for the purposes of investment portfolio management. Effectively, any GST paid on such expenditure is reduced by 25% (e.g. management fees). Additionally, a small percentage of GST paid on overall RTA operational costs is also disallowed.

#### **(u) Issuance of Financial Statements**

The financial statements are authorised for issue by the General Manager and Board Chairperson at the date of signing the Management Certificate.

#### **(v) Judgments and Assumptions**

The RTA has made no judgments or assessments which may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

#### **(w) Rounding and Comparatives**

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period. In particular, rental bonds were previously disclosed as current and non-current liabilities. The comparatives for rental bonds have been restated in line with Note 1(o).

#### **(x) New and Revised Accounting Standards**

No Australian Accounting Standards and Interpretations issued or amended and applicable for the first time in the 2007/08 financial year have an effect on the RTA. Also, the RTA has not voluntarily changed any of its accounting policies.

The RTA is not permitted to early adopt a new accounting standard ahead of the specified commencement date unless approval is obtained from the Treasury Department. Consequently, the RTA has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective. The RTA will apply these standards and

interpretations in accordance with their respective commencement dates.

At the date of authorisation of the financial report, a number of new or amended Australian Accounting Standards with future commencement dates will have a significant impact on the RTA. Details of such impacts are set out below.

AASB 1004 Contributions has been revised, and may affect the RTA from 2008/09.

One implication arising from this revised standard will be that, to the extent that no cash consideration is provided/received, transfers of accrued employee benefits between the RTA and other Queensland Government agencies will need to be recognised as either income or expense in the RTA's Income Statement, instead of being adjusted directly against Contributed Equity (refer to the Statement of Changes in Equity). If the revised AASB 1004 applied to the RTA during 2007/08, the 2007/08 operating deficit would not have changed due to all transfers in regard to accrued employee benefits between agencies either received or paid were performed as a cash transfer.

AASB 1050 Administered Items has been released and applied to annual reporting periods beginning on or after 1 July 2008. It is expected that this standard will not impact the RTA as from 2008/09.

AASB 101 Presentation of Financial Statements has been revised; however such revisions will not impact the RTA until 2009/10. This revised standard does not have measurement or recognition implications. Instead, there will be significant changes to the presentation of the RTA's overall financial performance and position, particularly the content of the Statement of Changes in Equity, and preparation of a new Statement of Comprehensive Income (which will include certain items currently disclosed in the Statement of Changes in Equity in line with the definition of 'comprehensive income' in the revised AASB 101). Ignoring other potential impacts on the operating result, if the revised AASB 101 was applied by the RTA for 2007/08, it would have reported negative comprehensive income result of \$286,000. The increase in the asset revaluation reserve for 2007/08 (\$770,000) would not be included in the Statement of Changes in Equity.

A revised version of AASB 123 Borrowing Costs has been released but will not be effective until 2009/10. As the RTA has no borrowings, the application of this standard if applied for 2007/08 is nil.

# Notes to, and forming part of, the Financial Statements

for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000
<b>Note 2. REVENUES</b>		
<b>INVESTMENT REVENUE</b>		
Interest on Cash Assets and Investments		
Return on Investments	23,014	30,417
Bank Interest	231	137
<b>Total Investment Revenue</b>	<b>23,245</b>	<b>30,554</b>
<b>OTHER REVENUES</b>		
Sundry Income	9	10
Bad Debts Recovered	-	2
Discounts Received	6	5
Employment Grant Received - Federal	3	-
<b>Total Other Revenue</b>	<b>18</b>	<b>17</b>
<b>Total Income</b>	<b>23,263</b>	<b>30,571</b>

	2008	2007
	\$'000	\$'000
<b>Note 3. GAIN OR LOSS ON DISPOSAL OF ASSETS</b>		
<b>DISPOSAL OF PLANT AND EQUIPMENT</b>		
Proceeds from Disposal	-	-
Less: Carrying amount of assets sold	8	11
<b>(Loss) Gain on Disposal</b>	<b>(8)</b>	<b>(11)</b>
<b>DISPOSAL OF COMPUTER HARDWARE</b>		
Proceeds from Disposal	-	-
Less: Carrying amount of assets sold	-	1
<b>Gain (Loss) on Disposal</b>	<b>-</b>	<b>(1)</b>
<b>DISPOSAL OF INTERNALLY GENERATED SOFTWARE</b>		
Proceeds from Disposal	-	-
Less: Carrying amount of assets sold	255	-
<b>(Loss) Gain on Disposal</b>	<b>(255)</b>	<b>-</b>
<b>DISPOSAL OF PURCHASED SOFTWARE</b>		
Proceeds from Disposal	-	-
Less: Carrying amount of assets sold	-	12
<b>Gain (Loss) on Disposal</b>	<b>-</b>	<b>(12)</b>
<b>Total Loss on Disposal of Assets</b>	<b>(263)</b>	<b>(24)</b>

	2008	2007
	\$'000	\$'000
<b>Note 4. EMPLOYEE EXPENSES</b>		
<b>Employee Benefits</b>		
Salaries and Wages	7,967	6,624
Allowances	103	103
Employee Leave Entitlements	130	744
Employer Superannuation contributions	972	804
<b>Total Employee Benefits</b>	<b>9,172</b>	<b>8,275</b>
<b>Employee Related Expenses</b>		
Fringe Benefits Tax	20	23
Workers' Compensation Insurance *	27	23
Payroll Tax *	441	372
Other Employee Related Expenses	179	158
<b>Total Employee Related Expenses</b>	<b>667</b>	<b>576</b>
<b>Total Operating Employee Costs</b>	<b>9,839</b>	<b>8,851</b>

\* Costs of workers' compensation insurance, and payroll tax are a consequence of employing employees, but are not counted in employees' total remuneration package. They are not employee benefits, but rather employee related expenses.

	2008	2007
	No.	No.
<b>The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is:</b>	<b>142</b>	<b>125</b>
<b>Executive Remuneration</b>		
The number of senior executives who received or were due to receive total remuneration of \$100,000 or more on balance date:		
\$160,000 to \$189,999	1	1
<b>The total remuneration paid to executives shown above **</b>	<b>185</b>	<b>181</b>

\*\* The amount calculated as executive remuneration in these financial statements includes the direct remuneration received as well as items not directly received by senior executives such as the movement in leave accruals and fringe benefits tax paid. This amount will therefore differ from advertised executive remuneration packages which does not always include such disclosures.

For information regarding payments to the RTA's Board members, refer Note 25.

# Notes to, and forming part of, the Financial Statements

for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000
<b>Note 5. SUPPLIES AND SERVICES</b>		
Advertising	132	135
Australia Post Agency Fees		
- Display Stands	183	184
- Incoming Mail	105	99
- Lodgements	99	88
- Mailout/EDI	105	98
- Refunds	702	700
- Mailing House	127	159
Archival Fees and Charges	45	45
Bank Charges	43	62
Board Fees	65	44
Board Expenses	21	16
Cleaning	47	46
Contractors and Consultants	941	1,742
Council Rates	52	52
Electricity	87	87
Equipment Expensed	142	122
Investment Fees	1,401	1,247
Legal Expenses	37	32
Operating Lease Rental	35	-
Postage	332	322
Printing and Stationery	433	350
Repairs and Maintenance	153	117
Software Maintenance	181	67
Telephone	433	404
Travel Expenses	88	81
Other Supplies and Services	478	349
<b>Total Supplies and Services</b>	<b>6,467</b>	<b>6,648</b>

	2008	2007
	\$'000	\$'000
<b>Note 6. GRANTS AND SUBSIDIES</b>		
Housing Affordability Grant	3,200	1,500
RTA Community Education Public Grants Scheme	80	159
Tenant Advice and Advocacy Service (Qld) Grant	3,175	3,210
Other Grants	165	5
<b>Total Grants and Subsidies</b>	<b>6,620</b>	<b>4,874</b>

Note that for further information on grants committed in future years, please refer to Other Commitments in Note 22.

	2008	2007
	\$'000	\$'000
<b>Note 7. DEPRECIATION AND AMORTISATION</b>		
Depreciation and Amortisation were incurred in respect of:		
Plant and Equipment	188	54
Computer Equipment	151	117
Buildings	102	86
Leasehold Improvements	13	-
Other Intangible Assets		
Software Internally Generated	415	331
Purchased Software	61	82
<b>Total Depreciation and Amortisation</b>	<b>930</b>	<b>670</b>

	2008	2007
	\$'000	\$'000
<b>Note 8. OTHER EXPENSES</b>		
External Audit Fees *	22	21
Internal Audit Fees	110	111
Bad and Doubtful Debts	31	28
Insurance Premiums	33	7
Valuation Fees	4	5
Australian Taxation Office - GST previous years ~	-	84
<b>Total Other Expenses</b>	<b>200</b>	<b>256</b>

\* Total external audit fees relating to the 2007/08 financial year are estimated to be \$23,800 (2006-07 \$21,800). There are no non-audit services included in this amount.

<b>~ INDIVIDUALLY SIGNIFICANT ITEM</b>	-	84
----------------------------------------	---	----

The RTA was audited by the Australian Taxation Office (ATO) in late 2006. As a result of that audit, Business Activity Statements were revised from October 2002 to June 2006. The total revised shortfall amount determined by the ATO was \$84,000 representing \$83,000 in GST non-claimable on QIC management fees and \$1,000 for non-claimable GST for an overhead apportionment on management costs pursuant to Division 70 of the GST Act and item 23(a) of the GST sub regulation 70-5.02(2).

	2008	2007
	\$'000	\$'000
<b>Note 9. CASH AND CASH EQUIVALENTS</b>		
Petty Cash	1	1
Cash at Bank - Operational Account	105	19
Cash at Bank - Bond Account	1,362	476
<b>Total Cash and Cash Equivalents</b>	<b>1,468</b>	<b>496</b>

# Notes to, and forming part of, the Financial Statements

for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000
<b>Note 10. OTHER FINANCIAL ASSETS</b>		
Managed Funds - QIC	474,618	417,796
<b>Total Other Financial Assets</b>	<b>474,618</b>	<b>417,796</b>

	2008	2007
	\$'000	\$'000
<b>Note 11. RECEIVABLES</b>		
Accrued Interest Revenue	25	17
Debtors	23	88
Other	2	1
	50	106
GST Receivable	199	126
GST Payable	-	(23)
	199	103
<b>Total Receivables</b>	<b>249</b>	<b>209</b>

Amounts due have been calculated in accordance with the terms and conditions of the respective debtors and do not bear interest. Amounts also include monies due from Departments and Agencies of the Government of Queensland and the Government of Australia.

	2008	2007
	\$'000	\$'000
<b>Note 12. OTHER ASSETS</b>		
<b>CURRENT</b>		
Prepayments	175	196
Deposits	5	-
<b>Total Current</b>	<b>180</b>	<b>196</b>
<b>NON-CURRENT</b>		
Prepayments	11	43
<b>Total Non-Current</b>	<b>11</b>	<b>43</b>
<b>Total Other Assets</b>	<b>191</b>	<b>239</b>

	2008	2007
	\$'000	\$'000
<b>Note 13. INTANGIBLES ASSETS</b>		
<b>SOFTWARE PURCHASED</b>		
At cost	670	635
Less Accumulated amortisation	(531)	(470)
<b>Total Software Purchased</b>	<b>139</b>	<b>165</b>
<b>SOFTWARE INTERNALLY GENERATED</b>		
At cost	2,966	2,315
Less Accumulated amortisation	(720)	(305)
<b>Total Software Internally Generated</b>	<b>2,246</b>	<b>2,010</b>
<b>Total Intangible Assets</b>	<b>2,385</b>	<b>2,175</b>

	\$'000	\$'000	\$'000
<b>Intangibles Reconciliation</b>			
<b>2008</b>	<b>Software Internally Generated</b>	<b>Software Purchased</b>	<b>Total</b>
Carrying amount at 1 July 2007	2,010	165	2,175
Acquisitions	1,106	35	1,141
Transfers between classes	(200)	-	(200)
Disposals	(255)	-	(255)
Amortisation	(415)	(61)	(476)
<b>Carrying amount at 30 June 2008</b>	<b>2,246</b>	<b>139</b>	<b>2,385</b>

	Software Internally Generated	Software Purchased	Total
<b>2007</b>			
Carrying amount at 1 July 2006	1,813	201	2,014
Acquisitions	528	58	586
Disposals	-	(12)	(12)
Amortisation	(331)	(82)	(413)
<b>Carrying amount at 30 June 2007</b>	<b>2,010</b>	<b>165</b>	<b>2,175</b>

# Notes to, and forming part of, the Financial Statements

for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000
<b>Note 14. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>LAND</b>		
At independent valuation (2008)	6,500	-
At independent valuation (2007)	-	5,900
<b>Total Land</b>	<b>6,500</b>	<b>5,900</b>
<b>BUILDINGS</b>		
At independent valuation (2008)	4,100	-
At independent valuation (2007)	-	4,000
Less: Accumulated depreciation	-	-
<b>Total Buildings</b>	<b>4,100</b>	<b>4,000</b>
<b>LEASEHOLD IMPROVEMENTS</b>		
At cost	80	-
Less: Accumulated depreciation	(13)	-
<b>Total Leasehold Improvements</b>	<b>67</b>	<b>-</b>
<b>PLANT AND EQUIPMENT</b>		
At cost	755	763
Less: Accumulated depreciation	(359)	(185)
<b>Total Plant and Equipment</b>	<b>396</b>	<b>578</b>
<b>COMPUTER HARDWARE</b>		
At cost	932	710
Less: Accumulated depreciation	(358)	(357)
<b>Total Computer Hardware</b>	<b>574</b>	<b>353</b>
<b>Total Property, Plant and Equipment</b>	<b>11,637</b>	<b>10,831</b>

An independent valuation of land and buildings was performed as at 30 June 2008 by independent registered valuer Mr Mel Evans of CB Richard Ellis Valuation and Advisory Services. The assessment was completed pursuant to *Non-current Asset Accounting Policies for the Queensland Public Sector* issued by Queensland Treasury and therefore was prepared on the basis of 'fair value'. The valuations were determined using current market values.

**Note 14. PROPERTY, PLANT AND EQUIPMENT (continued)**

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property, Plant and Equipment Reconciliation</b>						
<b>2008</b>	<b>Land</b>	<b>Buildings</b>	<b>Leasehold Improvements</b>	<b>Plant and Equipment</b>	<b>Computer Hardware</b>	<b>Total</b>
Carrying amount at 1 July 2007	5,900	4,000	-	578	353	10,831
Acquisitions	-	32	80	14	172	298
Disposals	-	-	-	(8)	-	(8)
Transfers between classes	-	-	-	-	200	200
Revaluation Increments	600	170	-	-	-	770
Depreciation	-	(102)	(13)	(188)	(151)	(454)
<b>Carrying amount at 30 June 2008</b>	<b>6,500</b>	<b>4,100</b>	<b>67</b>	<b>396</b>	<b>574</b>	<b>11,637</b>
<b>2007</b>	<b>Land</b>	<b>Buildings</b>	<b>Leasehold Improvements</b>	<b>Plant and Equipment</b>	<b>Computer Hardware</b>	<b>Total</b>
Carrying amount at 1 July 2006	2,929	2,165	-	266	255	5,615
Acquisitions	-	881	-	489	216	1,586
Disposals	-	-	-	(11)	(1)	(12)
Transfers between classes	-	112	-	(112)	-	-
Revaluation Increments	2,971	928	-	-	-	3,899
Depreciation	-	(86)	-	(54)	(117)	(257)
<b>Carrying amount at 30 June 2007</b>	<b>5,900</b>	<b>4,000</b>	<b>-</b>	<b>578</b>	<b>353</b>	<b>10,831</b>
					<b>2008</b>	<b>2007</b>
					<b>\$'000</b>	<b>\$'000</b>

**Note 15 PAYABLES**

<b>a. Payables</b>		
Trade Creditors	1,696	712
Deposits, Retentions and Bonds (Non-rental)	6	6
International Transfers	25	1
	<b>1,727</b>	<b>719</b>
<b>b. Rental Bonds and Unclaimed Monies</b>		
Rental Bonds	432,216	374,387
Australia Post Agency net Settlement	157	314
Unclaimed Bond Monies	3,808	3,159
Unclaimed Other Monies	4	4
	<b>436,185</b>	<b>377,864</b>
<b>Total Payables</b>	<b>437,912</b>	<b>378,583</b>

# Notes to, and forming part of, the Financial Statements

for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000
<b>Note 16. ACCRUED EMPLOYEE BENEFITS</b>		
<b>CURRENT</b>		
Annual Leave	680	716
Long Service Leave	145	112
Wages Outstanding	-	162
Time-off-in-lieu	8	11
<b>Total Current</b>	<b>833</b>	<b>1,001</b>
<b>NON-CURRENT</b>		
Long Service Leave	1,045	1,118
<b>Total Non-Current</b>	<b>1,045</b>	<b>1,118</b>
<b>Total Accrued Employee Benefits</b>	<b>1,878</b>	<b>2,119</b>

The discount rate used to calculate the present value of non-current employee benefits is 6.77% (2006/07: 6.34%). All provisions include associated on-costs.

	2008	2007
	\$'000	\$'000
<b>Note 17. RESERVES</b>		
Asset Revaluation Reserve	6,446	5,676
Investment Fluctuation Reserve	7,492	14,800
<b>Total Reserves</b>	<b>13,938</b>	<b>20,476</b>
Movements:		
<b>Asset Revaluation Reserve</b>		
Opening Balance at 1 July	5,676	1,777
Revaluation Increments	770	3,899
<b>Closing Balance as at 30 June</b>	<b>6,446</b>	<b>5,676</b>
<b>Investment Fluctuation Reserve</b>		
Opening Balance at 1 July	14,800	10,800
Transfer (to)/from Accumulated Surplus	(7,308)	4,000
<b>Closing Balance as at 30 June</b>	<b>7,492</b>	<b>14,800</b>

## Nature and Purpose of Reserves

**Asset Revaluation Reserve:** Under Treasury's Non-Current Asset Policies (APG11) for the Queensland Public Sector, the RTA must periodically revalue certain classes of assets, principally land, buildings and infrastructure and account for any increase or decrease. An increase in the value of a class of assets or an individual asset resulting from an asset revaluation, must be credited directly to the RTA's Asset Revaluation Reserve in respect of that class.

**Investment Fluctuation Reserve:** To minimise the impact of marginal and/or negative future investment returns (which is the sole source of the RTA's revenues), to ensure continued future operations and delivery of services.

	2008	2007
	\$'000	\$'000
<b>Note 18. ACCUMULATED SURPLUS</b>		
Movements:		
Opening Balance at 1 July	30,568	25,320
Transfer from/(to) Investment Fluctuation Reserve	7,308	(4,000)
Operating Result as per Income Statement	(1,056)	9,248
<b>Closing Balance as at 30 June</b>	<b>36,820</b>	<b>30,568</b>

	\$'000	\$'000	\$'000
<b>Note 19. ASSET REVALUATION RESERVE BY CLASS</b>			
<b>Asset Revaluation Reserve Reconciliation</b>			
<b>2008</b>	Land	Buildings	Total
Carrying amount at 1 July 2007	4,600	1,076	5,676
Revaluation Increments (Note 14)	600	170	770
<b>Carrying amount at 30 June 2008</b>	<b>5,200</b>	<b>1,246</b>	<b>6,446</b>
<b>2007</b>	Land	Buildings	Total
Carrying amount at 1 July 2006	1,629	147	1,776
Revaluation Increments (Note 14)	2,971	928	3,899
<b>Carrying amount at 30 June 2007</b>	<b>4,600</b>	<b>1,075</b>	<b>5,675</b>

# Notes to, and forming part of, the Financial Statements

for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000

## Note 20. RECONCILIATION OF OPERATING (DEFICIT)/SURPLUS TO NET CASH FROM OPERATING ACTIVITIES

### Reconciliation of Cash

Cash and Cash Equivalents comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

Total Cash & Cash Equivalents	1,468	496
<b>Balance per Cash Flow Statement</b>	<b>1,468</b>	<b>496</b>
Net Operating (Deficit)/Surplus	(1,056)	9,248
Add:		
Depreciation and Amortisation	930	670
Increase in Employee Benefits Provisions	-	600
Decrease in Prepayments	53	-
Increase in Trade Creditors	851	162
Increase in Unclaimed Bonds	649	505
Increase in Rental Bonds	57,829	45,318
Loss on Sale of Assets	263	24
	<b>59,519</b>	<b>56,527</b>
Less:		
Decrease in Employee Benefits Provisions	241	-
Increase in Receivables	40	99
Increase in Prepayments	-	218
Increase in Other Assets	5	-
<b>Net Cash from Operating Activities</b>	<b>59,233</b>	<b>56,210</b>

	2008	2007
	\$'000	\$'000

## Note 21. FINANCING ARRANGEMENTS

Access was available at balance date to the following lines of credit:

Corporate Credit Cards	200	200
------------------------	-----	-----

2008

2007

\$'000

\$'000

**Note 22. COMMITMENTS FOR EXPENDITURE****(a) Capital Commitments**

Capital expenditure committed for at the reporting date (inclusive of anticipated GST where applicable) but not recognised in the financial statements as liabilities:

Buildings	108	50
Plant, Equipment and Intangible Assets	1,746	1,330
	<b>1,854</b>	<b>1,380</b>
These expenditures are payable:		
Not later than one year	1,854	1,380
	<b>1,854</b>	<b>1,380</b>

**(b) Other Expenditure Commitments**

Other expenditure committed for at the reporting date (inclusive of anticipated GST where applicable) but not recognised in the financial statements as liabilities:

RTA Community Education Public Grants Scheme	198	209
Tenant Advice and Advocacy Service (Qld) Grant	3,828	3,674
Housing Affordability Grant	6,710	3,520
Australia Post	2,066	4,073
Telstra	65	108
IT Contract Services	153	340
Other	296	305
	<b>13,316</b>	<b>12,229</b>
These expenditures are payable:		
Not later than one year	13,167	9,760
Later than one year and not later than five years	149	2,469
	<b>13,316</b>	<b>12,229</b>

**(c) Finance Lease Commitments**

The RTA has no finance lease commitments as at the reporting date.

**(d) Non-cancellable Operating Lease Commitments**

Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:

Accommodation	181	-
Total Future Minimum Lease Payments:		
Not later than one year	108	-
Later than one year and not later than 5 years	73	-
	<b>181</b>	<b>-</b>

# Notes to, and forming part of, the Financial Statements

for the year ended 30 June 2008

		2008	2007
	Notes	\$'000	\$'000
<b>Note 23. FINANCIAL INSTRUMENTS</b>			
<b>(a) Categorisation of Financial Instruments</b>			
The RTA has the following categories of financial assets and financial liabilities:			
<b>Category</b>			
<b>Financial Assets</b>			
Cash and Cash Equivalents	9	1,468	496
Other Financial Assets	10	474,618	417,796
Receivables	11	224	192
<b>Total Financial Assets</b>		<b>476,310</b>	<b>418,484</b>
<b>Financial Liabilities</b>			
Financial Liabilities measured at amortised cost:			
Payables	15	437,912	378,583
<b>Total Financial Liabilities</b>		<b>437,912</b>	<b>378,583</b>

## (b) Credit Risk Exposure

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any provisions for impairment.

The following table represents the RTA's maximum exposure to credit risk based on contractual amounts net of any allowances:

### Maximum Exposure to Credit Risk

#### Category

<b>Financial Assets</b>			
Cash and Cash Equivalents	9	1,468	496
Other Financial Assets	10	474,618	417,796
Receivables	11	224	192
<b>Total Financial Assets</b>		<b>476,310</b>	<b>418,484</b>

No collateral is held as security and no credit enhancements relate to financial assets held by the RTA.

The RTA manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that the RTA invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on a daily basis.

No financial assets and financial liabilities have been offset and presented net in the Balance Sheet.

**Note. 23. FINANCIAL INSTRUMENTS (continued)**
**(b) Credit Risk Exposure - continued**

The method for calculating any provisional impairment for risk is based on past experience, current and expected changes in economic conditions and changes in client credit ratings. The main factors affecting the current calculation for provisions are disclosed below as loss events. These economic and geographic changes form part of the RTA's documented risk analysis assessment in conjunction with historic experience and associated industry data.

There is no recognised impairment loss for the current year (2007: nil).

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired, and are stated at the carrying amount as indicated.

Aging of past due but not impaired financial assets are disclosed in the following table:

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets Past Due but not Impaired</b>							
	Due	Overdue					
<b>2008</b>	Not Overdue	Less than 30 days	30 to 60 days	60 to 90 days	Greater than 90 days	Total	Total Financial Assets
Financial Assets							
Receivables	206	-	3	-	15	224	224
<b>Total</b>	<b>206</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>15</b>	<b>224</b>	<b>224</b>
	Due	Overdue					
<b>2007</b>	Not Overdue	Less than 30 days	30 to 60 days	60 to 90 days	Greater than 90 days	Total	Total Financial Assets
Financial Assets							
Receivables	169	6	2	2	13	192	192
<b>Total</b>	<b>169</b>	<b>6</b>	<b>2</b>	<b>2</b>	<b>13</b>	<b>192</b>	<b>192</b>

# Notes to, and forming part of, the Financial Statements

for the year ended 30 June 2008

## Note. 23 FINANCIAL INSTRUMENTS (Continued)

### (c) Liquidity Risk

The RTA is exposed to liquidity risk only in respect of payables. Presently, the RTA has no borrowings.

The RTA manages liquidity risk through the use of a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring the RTA has sufficient funds available to meet employee and supplier obligations as and when they fall due. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities. At the RTA, the performance of this cash-flow management activity occurs twice daily.

The following table sets out the liquidity risk of financial liabilities held by the RTA. It represents the contractual maturity of financial liabilities, calculated based on cash flows relating to repayment of the amount outstanding at balance date.

	Notes	\$'000	\$'000	\$'000	\$'000
		2008 Payable in:			
<b>2008</b>		≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total
<b>Financial Liabilities</b>					
Payables	15	437,912	-	-	437,912
<b>Total Financial Liabilities</b>		<b>437,912</b>	<b>-</b>	<b>-</b>	<b>437,912</b>
		2007 Payable in:			
<b>2007</b>		≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total
<b>Financial Liabilities</b>					
Payables	15	378,583	-	-	378,583
<b>Total Financial Liabilities</b>		<b>378,583</b>	<b>-</b>	<b>-</b>	<b>378,583</b>

**Note. 23 FINANCIAL INSTRUMENTS (Continued)**
**(d) Market Risk**

The RTA does not trade in foreign currency and is not materially exposed to commodity price changes. The RTA is exposed to interest rate risk through its large cash investment with the Queensland Investment Corporation (QIC). There is also exposure to interest rate risk for very small deposits of cash held in interest bearing accounts with the Commonwealth Bank of Australia. Through the investment strategy with QIC, the RTA is exposed to domestic and international market bond yield risk. A derivative overlay account exists to protect the portfolio from interest rate risk for market and bond yield movements.

The RTA is provided with interest rate sensitivity analysis periodically by QIC. Generally, the analysis is based on forecasts with shifts in returns both positive and negative through applying volatility estimates. To reflect a similar analysis for the purpose of this report, with all other variables held constant, if the average interest rate across the complete portfolio had varied + or - 50 basis points, the outcome for the RTA is summarised in the table below:

		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Instruments</b>		<b>Return on earnings 50 basis points</b>				
<b>Interest Rate Risk</b>		<b>less than actual</b>		<b>greater than actual</b>		
<b>2008</b>	<b>Carrying Amount</b>	<b>Operating Surplus/ (Deficit)</b>	<b>Equity</b>	<b>Operating Surplus/ (Deficit)</b>	<b>Equity</b>	
Investment earning variation	474,618	(2,192)	(2,192)	2,192	2,192	
Actual result		(1,056)	50,758	(1,056)	50,758	
<b>Changed result</b>		<b>(3,248)</b>	<b>48,566</b>	<b>1,136</b>	<b>52,950</b>	
<b>2007</b>		<b>Operating Surplus/ (Deficit)</b>	<b>Equity</b>	<b>Operating Surplus/ (Deficit)</b>	<b>Equity</b>	
Investment earning variation	417,796	(1,885)	(1,885)	1,885	1,885	
Actual result		9,248	51,044	9,248	51,044	
<b>Changed result</b>		<b>7,363</b>	<b>49,159</b>	<b>11,133</b>	<b>52,929</b>	

**(e) Fair Value**

All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

# Notes to, and forming part of, the Financial Statements

for the year ended 30 June 2008

	2008	2007
	\$'000	\$'000
<b>Note 24. RECONCILIATION OF FINANCIAL INSTRUMENTS TO NET ASSETS</b>		
Financial Assets	476,310	418,484
Less Financial Liabilities	437,912	378,583
<b>Net Financial Assets</b>	<b>38,398</b>	39,901
<b>Non-financial Assets and Liabilities:</b>		
Accrued Revenues	25	17
Prepayments	191	239
Property, Plant and Equipment	11,637	10,831
Intangible Assets	2,385	2,175
Provisions	(1,878)	(2,119)
<b>Net Assets as per Balance Sheet</b>	<b>50,758</b>	51,044

## Note 25. Board Disclosures

Queensland Government determines appropriate payment for part-time chairs and members of government boards, committees and statutory authorities. Payments are made in accordance with the Department of Industrial Relations document: 'Remuneration of part-time Chairs and Members of Government Boards, Committees and Statutory Authorities issued on 26 April 2006'.

### (a) The RTA's Board is made up of the following members:

Member	Date of Appointment	Date of Reappointment
Mr John Battams (Chair)	December 2004	April 2007
Ms Cathy Bavage	June 1995	April 1998, April 2001, April 2004, April 2007
Mr Darrell Brady*	April 2001	April 2004
Ms Luella Camp	April 2001	April 2004, April 2007
Ms Lynda Sadiki **	April 2004	April 2007
Ms Roslyn Wallace	April 2004	April 2007
Mr Charles Ware	April 2005	April 2007

\* Vacant from April 2007 and reappointed March 2008

\*\* Resigned April 2008

### Board Members Remuneration

The number of Board members who received or were due to receive total remuneration on balance date:

Remuneration Band:

\$1,000 to \$9,999

\$10,000 to \$19,999

2008	2007
No.	No.

5	6
2	1

2008	2007
\$'000	\$'000

The total remuneration paid to Board members:

Mr John Battams (Chair)

Ms Cathy Bavage

Mr Darrell Brady

Ms Luella Camp

Ms Roslyn Wallace

Ms Lynda Sadiki

Mr Charles Ware

12	10
12	7
3	2
6	5
7	5
8	6
6	7

### Total Board Member Payments

54	42
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Note that during 2007/08, Board fees include fees of \$39,916, current year superannuation of \$2,365 and prior years superannuation contributions of \$12,283.

### (b) Other Transactions with Board Members and Board Member Related Entities

The RTA has incurred no dealings with any entity of which a Board member has a related interest.

# Notes to, and forming part of, the Financial Statements

for the year ended 30 June 2008

## Note 25. BOARD DISCLOSURES (continued)

Board members presently hold appointments and/or memberships as follows:

<b>Mr John Battams</b>	<b>Chair, Residential Tenancies Authority</b> Secretary, Australian Education Union (Queensland) Board Member, Lady Bowen Trust Board of Advice Management Committee Member, Northern Suburbs Hockey Club Inc Honorary President, Queensland Council of Unions General Secretary, Queensland Teachers' Union Director, Sunsuper Director, Sunsuper Financial Services Pty Ltd Chair, Sunsuper Investment Committee
<b>Ms Cathy Bavage</b>	<b>Board Member, Residential Tenancies Authority</b> <b>Chair, Audit Committee, Residential Tenancies Authority</b> Committee Member, Body Corporate, Nut Tree Hill Complex
<b>Ms Luella Camp</b>	<b>Board Member, Residential Tenancies Authority</b>
<b>Roslyn Wallace</b>	<b>Board Member, Residential Tenancies Authority</b> Secretary, The Property Owners' Association of Queensland Member, The Unit Owners Association of Queensland
<b>Mr Darrell Brady</b>	<b>Board Member, Residential Tenancies Authority</b> Member, Real Estate Institute of Queensland
<b>Mr Charles Ware</b>	<b>Board Member, Residential Tenancies Authority</b> Director, Aquila Consulting Pty Ltd Director, Australian International Campuses Pty Ltd Director, C Management Services Pty Ltd Member, Central Queensland University Council Director, Fitzroy Park Investments Pty Ltd Director, Fitzroy Park Pty Ltd Director, Gladstone Ports Corporation Board Member, Professional Engineers of Queensland Director, Rockhampton Regional Development Limited Director, Zahara Services Pty Ltd

Resignations during the year:

<b>Ms Lynda Sadiki</b>	<b>Board Member, Residential Tenancies Authority</b>
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## **Note 26. CONTINGENT ASSETS AND LIABILITIES**

The RTA is not aware of any contingent assets at reporting date or at the date of this financial report.

The RTA presently has a contingent liability in the form of a bank guarantee which is not recognised as a liability in the balance sheet. The guarantee is with R.K. McTaggart, I.C. Diehm and R.D. Sahay trading as Stephens and Tozer Solicitors and pertains to the equivalent of three months rent as a security deposit for the sub-lease of premises at Level 6, 183 North Quay, Brisbane. The total amount of the guarantee is \$29,282. Pursuant to section 34 of the *Statutory Bodies Financial Arrangements Act 1982*, approval has been provided to the RTA to enter into the arrangement from the Under Treasurer.

The RTA is not aware of any other contingent liabilities at reporting date or at the date of this financial report.

## **Note 27. EVENTS OCCURRING AFTER BALANCE DATE**

The RTA is not aware of any event occurring after balance date that would impact this financial report.

## **Note 28. ESTABLISHMENT OF RESIDENTIAL TENANCIES EMPLOYING OFFICE**

On 23 April 2007 the Queensland Parliament passed the *Statutory Bodies Legislation Amendment Act 2007* which amended the *Residential Tenancies Authority Act 1994*. These amendments included the establishment of the Residential Tenancies Employing Office (RTEO) as a statutory body for the purposes of the *Financial Administration and Audit Act 1977*.

The trading of the Residential Tenancies Employing Office commenced on 1 July 2008. Consequently, there were no transactions prior to 30 June 2008 and no assets or liabilities existing as at 30 June 2008. Accordingly, a separate financial report for the 2007/08 financial year has not been prepared for the Residential Tenancies Employing Office nor has a consolidated financial report been prepared. The RTA will be required to prepare a consolidated General Purpose Financial Report for the 2008/09 financial year.

In accordance with Section 351 of the *Statutory Bodies Legislation Amendment Act 2007*, all employees who transferred from the RTA to the RTEO keep all rights and entitlements, including entitlements to receive long service, annual and sick leave. The transfer of employee entitlements occurred on 1 July 2008 by way of an inter-entity account.

To ensure full transparency of the services and functionality that the RTEO provides the RTA, a Work Performance Arrangement was developed in accordance with Section 311 of the above Act. This document provides the authority under which employees of the RTEO perform work for the RTA and stipulates operational activities of the RTEO effective from 1 July 2008.

# Management Certificate

for the year ended 30 June 2008

This general purpose financial report has been prepared pursuant to s.46F(1) of the *Financial Administration and Audit Act 1977* (the Act), and other prescribed requirements. In accordance with s.46F(3) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Residential Tenancies Authority for the financial year ended 30 June 2008 and of the financial position of the Authority at the end of that year.



**Fergus Smith**

General Manager



**John Battams**

Chairperson, RTA Board

22 August 2008

# Independent Auditor's Report

## To the Board of the Residential Tenancies Authority

### Matters Relating to the Electronic Presentation of the Audited Financial Report

The audit report relates to the financial report of the Residential Tenancies Authority for the financial year ended 30 June 2008 included on the Residential Tenancies Authority's web site. The Board is responsible for the integrity of the Residential Tenancies Authority's web site. We have not been engaged to report on the integrity of the Residential Tenancies Authority's web site. The audit report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report, available from the Residential Tenancies Authority, to confirm the information included in the audited financial report presented on this web site.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.

### Report on the Financial Report

I have audited the accompanying financial report of the Residential Tenancies Authority which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and certificates given by the Board and officer responsible for the financial administration of the Residential Tenancies Authority

#### **The Board's Responsibility for the Financial Report**

The Board is responsible for the preparation and fair presentation of the financial report in accordance with prescribed accounting requirements identified in the *Financial Administration and Audit Act 1977* and the *Financial Management Standard 1997*, including compliance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### **Auditor's Responsibility**

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with Auditor-General of Queensland Auditing Standards, which incorporate the Australian Auditing Standards. These Auditing Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements as approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### **Independence**

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor General and QAO authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

#### **Auditor's Opinion**

In accordance with s.46G of the *Financial Administration and Audit Act 1977*:

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
  - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
  - (ii) the financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards of the transactions of the Residential Tenancies Authority for the financial year 1 July 2007 to 30 June 2008 and of the financial position as at the end of that year.



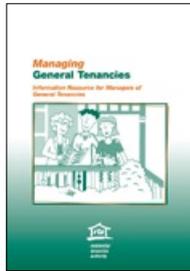
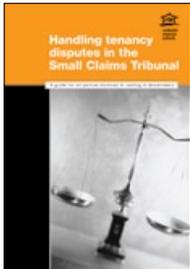
**J A Latif (CA)**

Delegate of the Auditor-General of Queensland

22 August 2008  
Brisbane

# RTA Publications

The following RTA publications are available from the RTA's website [www.rta.qld.gov.au](http://www.rta.qld.gov.au) or by contacting the RTA on 1300 366 311.



- Update newsletter
- Managing General Tenancies: Information resource for Managers of General Tenancies
- Handling Tenancy Disputes in the Small Claims Tribunal: A guide for all parties involved in renting in Queensland
- Renting in Queensland: Guide for Caravan and Relocatable Home Park Operators\*
- A Resident Information Booklet
- RTA Statement of Affairs
- RTA Strategic Plan
- RTA Annual Reports (1999 – 2007/08)

\*Available online only

## RTA Forms

The RTA produces approved forms to be used during a tenancy. The forms are available from the RTA's website [www.rta.qld.gov.au](http://www.rta.qld.gov.au). RTA forms are also available from most Australia Post outlets around Queensland or from the RTA's distributor on 1300 136 939 or fax (07) 3216 2258 or email [RTAForms.qld@auspost.com.au](mailto:RTAForms.qld@auspost.com.au).

### Forms for Residential Tenancies

Use these forms if you are living in or managing flats, houses, moveable dwellings or houseboats.



- Form 1a Entry Condition Report (General Tenancies)
- Form 1b Entry Condition Report (Moveable Dwelling/Site)
- Form 2 Bond Lodgement
- Form 3 Transfer of Bond
- Form 4 Refund of Rental Bond
- Form 5 Change of Lessor or Lessor's Agent
- Form 6 Change of Shared Bond Arrangement
- Form 7 Part Payment of Rental Bond
- Form 8 Lessor's Agent Signature Record<sup>#</sup>
- Form 9 Entry Notice
- Form 10 Notice of Lessor's Intention to Sell
- Form 11 Notice to Remedy Breach
- Form 12 Notice to Leave
- Form 13 Notice of Intention to Leave
- Form 14a Exit Condition Report (General Tenancies)

- Form 14b Exit Condition Report (Moveable Dwelling/Site)
- Form 15 Abandonment Termination Notice
- Form 16 Dispute Resolution Request
- Form 17a Renting a home: a tenant's guide to the rules for renting in Queensland
- Form 17b Renting in Queensland - Your rights and responsibilities as a tenant in moveable dwelling tenancies.
- Form 18a General Tenancy Agreement
- Form 18b Moveable Dwelling Tenancy Agreement

### Forms for Residential Services

Use these forms if you are living in or managing rented rooms in privately run boarding houses, aged rental, supported or student accommodation.



- Form R1 Condition Report
- Form R2 Bond Lodgement
- Form R3 Transfer of Bond
- Form R4 Refund of Rental Bond
- Form R5 Change of Service Provider/Manager
- Form R6 Change of Shared Bond Arrangement
- Form R7 Part-Payment of Rental Bond
- Form R8 Service Provider's/Manager's Signature Record<sup>#</sup>
- Form R9 Entry Notice
- Form R11 Notice to Remedy Breach
- Form R12 Notice to Leave
- Form R13 Resident Leaving Form

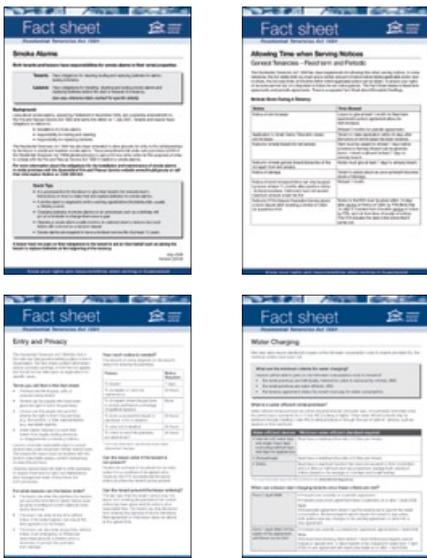
- Form R16 Dispute Resolution Request
- Form R18 Residential Service Agreement

# Not available at Australia Post outlets

## RTA Fact Sheets

**The RTA produces a range of fact sheets that address specific aspects of residential tenancies and residential services law. The latest and most up-to-date versions of all the fact sheets available can be downloaded from the RTA's website [www.rta.qld.gov.au](http://www.rta.qld.gov.au).**

### Fact Sheets for Residential Tenancies



- Abandoned premises
- Allowing time when serving notices – General Tenancies
- Allowing time when serving notices – Moveable Dwellings
- Caravan parks and manufactured homes
- Charging for electricity and other services in a moveable dwelling park
- Continuing a fixed term tenancy
- Dispute resolution services
- Domestic violence – information for tenants
- Entry and privacy
- Five most frequently asked questions
- Goods and documents left behind
- Important renting information for natural disaster victims

- Moveable dwelling park closure
- Police powers to deal with a serious nuisance
- Rent payments and holding deposits
- Rental premises – use condition and repairs
- Renting in Queensland
- Residential tenancy agreements
- Share homes, co-tenancies and subletting
- Smoke Alarms
- Tenancy databases
- Terminating a tenancy agreement
- Water charging

### Fact Sheets for Residential Services



- Coverage of the Accommodation Act
- Dispute resolution services
- Ending a residential service agreement
- Entry and privacy
- Forms
- Goods and documents left behind
- House rules
- Power to remove a resident
- Rent
- Rental bond
- Residential service agreements
- Residents with impaired capacity
- Rights and responsibilities of residents and service providers
- Information for providers of student accommodation
- Information for students

## The RTA website

offers comprehensive information to all parties involved in renting a home. The website includes the latest news on the RTA's activities as well as:

- Tenancy information for tenants, lessors, caravan park operators and real estate agents.
- Information for services providers and residents in privately run boarding houses, hostels, aged rental complexes or rooming style student accommodation.
- All forms and factsheets supplied by the RTA to assist all parties throughout a tenancy agreement.
- Quarterly median rent statistics for the State of Queensland.
- Dispute resolution services offered by the RTA.
- Information for schools.



[www.rta.qld.gov.au](http://www.rta.qld.gov.au)

## Sign up for e-Bulletins

RTA's e-Bulletins service keeps clients up to date with all the news about renting or managing a rental property in Queensland.

To sign up for e-Bulletins go to [rta.qld.gov.au/subscribe.cfm](http://rta.qld.gov.au/subscribe.cfm)

# Glossary of Terms

## ACC

Agency Consultative Committee

## Accommodation Act

*Residential Services (Accommodation) Act 2002*

## ACPAC

Australian Centre for Peace and Conflict Studies

## ARC

Audit and Risk Committee

## BSA

Building Services Authority

## CALD

Culturally and linguistically diverse

## EAP

Employee Assistance Program

## ECB

Ecumenical Coffee Brigade

## ECCQ

Ethnic Communities Council of Queensland

## FOI

Freedom of Information

## FTE

Full time equivalent (staff)

## HR

Human resources

## ISC

Information Steering Committee

## IT&T

Information technology and telecommunications

## OFT

Office of Fair Trading

## PEP

Process Evaluation Procedure

## QAO

Queensland Audit Office

## QFRS

Queensland Fire and Rescue Service

## QIC

Queensland Investment Corporation

## QPS

Queensland Public Sector

## REIQ

Real Estate Institute of Queensland

## RNA

Royal National Association

## RTA

Residential Tenancies Authority

## SPEAK

Skills performance expertise attitude knowledge

## TAAS(Q)

Tenant Advice and Advocacy Service (Queensland)

## The Regulation

Residential Tenancies Regulation 1995

## The Tribunal

Small Claims Tribunal

## Tenancies Act

*Residential Tenancies Act 1994*

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*residential  
tenancies  
authority*

## For our readers



### Additional copies

The complete RTA Annual Report 2007/08 can be downloaded from the RTA website at [www.rta.qld.gov.au](http://www.rta.qld.gov.au). Hard copies of this report can also be obtained by contacting the RTA on **1300 366 311** or visiting the RTA at **33 Herschel Street, Brisbane**.



### Distribution

The RTA Annual Report is distributed to key stakeholders within Queensland's residential rental sector including members of the public, staff, community and special interest groups, key business partners and other State Government departments.



### More information

To find out more about the information contained in this Annual Report, contact the RTA on **1300 366 311** (local call cost).



### Feedback

Your feedback is valuable to the RTA and helps to improve the quality of the RTA Annual Report. To provide feedback please contact the RTA by telephone or email your feedback to [annualreport@rta.qld.gov.au](mailto:annualreport@rta.qld.gov.au).



**Queensland**  
Government

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