



*residential
tenancies
authority*

Annual Report 2009/10



About this Annual Report

The 2009/10 RTA Annual Report presents performance information for the period 1 July 2009 to 30 June 2010 in a clear reader friendly manner.

This report contains an inclusive record of RTA activities and achievements for the 2009/10 financial year against the objectives developed in strategic and operational planning processes. The report also summarises key priorities and challenges for the year ahead.

In line with the RTA Strategic Plan 2009-2012, this report presents the RTA's performance according to its three priorities:

Our Clients

Our Sector

Our Organisation

Each section of the report provides an overview of key information and is also colour coded so that it is easy to navigate. A glossary of terms is also available at the end of the report.

To find out more about the contents of this annual report or to provide feedback, please turn to the back page or contact the Manager Community Engagement on 07 3046 5670 or via email at annualreport@rta.qld.gov.au.

The Queensland Government and the RTA are committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact us on 1300 366 311 and we will arrange an interpreter to effectively communicate the report to you.



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Letter of compliance

The Honourable Karen Struthers MP
Minister for Community Services and
Housing and Minister for Women
GPO Box 806
Brisbane QLD 4001

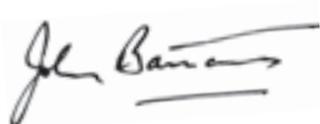
Dear Minister

I am pleased to present the Annual Report 2009/2010 for the Residential Tenancies Authority (RTA). The report represents the RTA's achievements between 1 July 2009 and 30 June 2010.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the Annual Report Requirements for Queensland Government agencies.

Yours sincerely



John Battams
Chairperson

Highlights 2009/10

Our Clients

Providing high quality client services

The RTA continues to demonstrate excellence in client service delivery.

Demand for services remains high.

The RTA:

- answered more than 352,000 telephone calls (pg 29)
- processed more than 245,000 bonds lodged with the RTA (pg 30)
- refunded more than 230,000 bonds (pg 30)
- dealt with more than 19,500 requests for dispute resolution (pg 31) and
- had more than 1.2 million website visitors (pg 33).

Clients remain very satisfied with service quality. In the independent biennial client satisfaction survey conducted in April 2010, the overall rating of client satisfaction was 8.4 on a 10 point rating scale (pg 35).

This is the best rating since surveys commenced in 2002.

Maintaining accuracy

The RTA's strong emphasis on the accurate delivery of information to clients has led to the installation of specialised call recording software.

The inclusion of this software enables increased opportunities to coach and develop staff assisting in the overall training of Client Contact Services Officers. The software is also useful to monitor the quality of the services provided. It is used solely for quality control, training and development purposes (pg 29).

Our Sector

Commencement of new Act

The new *Residential Tenancies and Rooming Accommodation Act 2008* commenced on 1 July 2009.

The RTA continued to provide information and outreach activities to promote awareness of the legislation (pg 39).

Improved communication with the sector

The RTA improved its external communications to key stakeholders by changing the format of 'Update' to an electronic online magazine. The publication provides informative articles on the RTA, tenancy law and emerging issues.

Hosted Australasian Residential Tenancies Conference

The RTA successfully hosted the 8th Australasian Residential Tenancies Conference on the Gold Coast from 9 to 11 of September 2009.

Open to agencies involved in the management or administration of residential tenancies legislation, tribunals or tenancy advice and education services, the biennial event is an important opportunity for sector representatives across Australia and New Zealand to get together and discuss current issues and practices.

Keynote speakers addressed a range of topics including dispute resolution (pg 6).

Our Organisation

Successful relocation to new offices

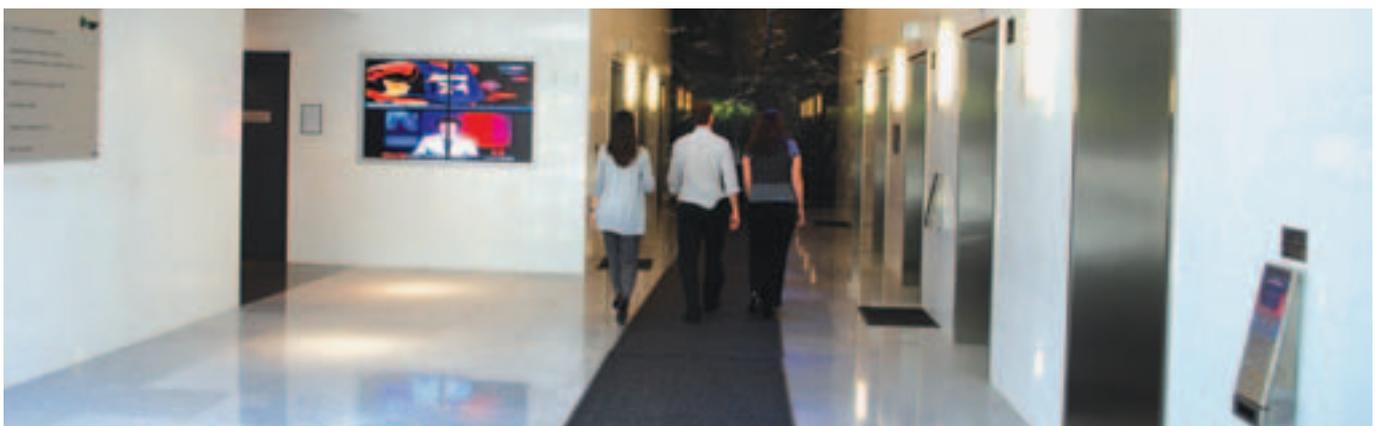
The RTA relocated its staff and client services from Herschel Street, Brisbane to new offices at 179 Turbot Street, Brisbane in March 2010. It was essential that key operational activities and client services continued seamlessly despite the move. The relocation was undertaken without disruption to essential services including bond lodgements and over the counter service to the public.

Contingency plans were in place to ensure business systems could be run from offsite backup systems if needed. However, all went according to plan and it was business as usual on the Monday after the move.

The RTA's offices were opened on 23 June 2010 by the Hon Karen Struthers MP, Minister for Communities and Housing and Minister for Women. The opening was attended by representatives of key sector and government stakeholders.

Improved financial position

Careful management of the RTA's investment funds coupled with improvements in the global financial markets enabled the RTA to rebuild its financial reserves (pg 54).



RTA foyer.

About us

Who we are

The Residential Tenancies Authority (RTA) is a self funded statutory authority providing targeted and dedicated services to meet the diverse needs of the Queensland residential rental sector.

The core responsibility of the RTA is to administer the *Residential Tenancies and Rooming Accommodation Act 2008* (the Act).

The Act establishes the rights and responsibilities of parties to a residential tenancy. It applies to rental houses, flats, caravans, moveable dwellings and rooming style accommodation.

The Act sets out:

- what can and cannot occur during an agreement
- how to address issues that may arise during a tenancy
- what measures can be taken when a breach has occurred.

The Act does not cover holiday lettings, retirement villages or manufactured homes.

In administering the Act, the RTA provides fair and unbiased information for all parties. It also works collaboratively with all sector groups including tenants, residents, lessors, property managers, caravan park managers, residential providers, community housing groups, industry bodies and the Queensland Government.



***residential
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Mission Statement

To support the Queensland residential rental sector through accessible, flexible and targeted services within an appropriate legislative framework.



RTA reception.

Our role

The primary functions of the RTA include providing:

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

As a statutory authority, the RTA is governed by a Board of Directors (see pg 18) with knowledge and experience relevant to the Queensland residential rental sector. The chairperson and the six directors are appointed by the Governor-in-Council for three year terms.

The RTA is part of the portfolio of the Hon Karen Struthers MP, Minister for Community Services and Housing and Minister for Women (see pg 23 for an organisational chart).

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

Our values

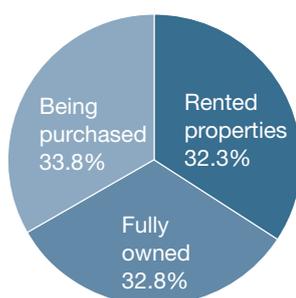
The RTA operates according to a core set of values including:

- **Client focus:** Developing and enhancing services to meet the needs of our clients.
- **Leadership:** Taking responsibility, leading by example and empowering staff to support innovation and achievement.
- **Governance:** Ensuring processes and actions are transparent and open to public scrutiny.
- **Collaboration:** Working with our staff and our stakeholders to achieve collective goals.
- **Impartiality:** Being honest and ethical in our interactions with all parties.
- **Respect:** Valuing diversity and treating all people with dignity and respect.

Who are our clients?

The RTA is available to assist all Queensland tenants, residents, lessors, property managers, caravan park managers and residential providers.

The Australian Bureau of Statistics *2006 Census of Population and Housing*, shows there were 452,596 rented properties in Queensland, representing 32.3% of dwellings for which tenure was recorded.



See pg 12 for more information on Queensland's residential rental sector.

The annual demand for RTA services

Client Contact Centre enquiries	352,103
Bonds lodged	245,080
Dispute resolution requests	19,628
Website visits	1,246,980

Financial summary

	2009/10	2008/09	%
	\$'000	\$'000	Change

Operating revenue	40,305	7,169	462.2%	▲
Operating expenses	27,083	23,816	13.7%	▲
Total assets	584,594	531,583	9.9%	▲
Total liabilities	541,407	499,670	8.3%	▲
Value of bonds held	525,218	490,269	7.1%	▲

Showcase national conference

Australasian Residential Tenancies Conference Gold Coast, 9 to 11 September 2009

In September, the RTA hosted the 8th Australasian Residential Tenancies Conference which brought together 240 participants from around Australia, New Zealand and the United Kingdom to the Sheraton Mirage Resort on the Gold Coast.

The conference theme “Rental realities – under the spotlight” allowed participants to explore challenges facing the residential tenancies sector and discuss new ideas and approaches. The three keynote speakers set the scene and provided relevant insights into the broader impacts on the housing system.

Mr Mark McCrindle, Futurist, Demographer and Social Commentator provided an insightful snapshot of where society is heading in his presentation “Changing times, emerging trends: understanding 21st century Australia”. His stimulating presentation demonstrated how society was evolving and flagged potential future demands on the housing market which the sector would need to address.

Mr Rod Fehring, Lend Lease Primelife and Chair, Australian Housing and Urban Research Institute, took a practical approach. In his presentation “Housing in the age of everything”, he focused on the complexities of the housing system, including the barriers to investment and construction, as well as the vital role played by all levels of government, financial institutions, economic drivers and planning authorities. Mr Fehring’s suggestions for reform included an Australia-wide approach to housing development.

Ms Clare Martin, Chief Executive Officer, Australian Council of Social Services provided a grass roots perspective in her presentation “Rental realities for low income Australians”. Ms Martin introduced case studies to highlight the difficulties faced by ordinary Australians and the impact homelessness can have.

Drawing from the expertise of conference participants, a total of 30 papers were presented over the two days under the themes of:

- Tenancy tribunals and dispute resolution
- Tenancy information and community education
- Tenancy policy and legislation.

As each jurisdiction has a slightly different approach to help resolve tenancy disputes, the first theme considered and compared various methods used. It also explored the lessons learned from implementing



Fergus Smith and Joyleen St George at the tenancy conference registry.

dispute resolution programs including self resolution, assisted resolution and final arbitration. Specialist presentations outlined how tribunals are trying to improve attendance rates and accessibility, while others showcased alternative dispute resolution initiatives such as telephone conferencing.

Communication is the key to clients understanding their rights and responsibilities. The second stream examined how clients accessed tenancy information and looked at recent developments and challenges in delivering effective community education to tenants, lessors and agents. Of particular interest were initiatives for clients with specific education needs such as those in remote indigenous housing, caravan parks and tenancy issues arising from natural disasters.

Tenancy laws around Australasia are continually being reviewed to ensure they remain appropriate and relevant. The final stream considered policy development in the context of effective and sustainable outcomes, particularly in a climate of low housing affordability and high housing stress. Some of the key themes were around efforts to address homelessness, boosting social and private housing assistance and programs to assist tenants to access the rental market or to sustain their tenancies. Copies of all papers are available on the conference website www.restenconf.com.

The conference is traditionally attended by professionals working in dispute resolution,

“

Tenancy laws around Australasia are continually being reviewed to ensure they remain appropriate and relevant.

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tribunals, government, tenancy legislation and advocacy, with limited attendance by those involved in property management. One initiative for this conference hosted by the RTA was to encourage property managers and lessors to attend targeted workshops by introducing a half day rate for the final day. About 30 property managers attended as a result, and it is hoped that future conferences also work towards encouraging greater attendance from all parts of the sector.

Feedback from participants indicated the conference was a great success, with high ratings being awarded to the quality of presentations. The introduction of a professional Master of Ceremonies, Ms Ella James, allowed key RTA staff and Board members the opportunity to network with the delegates throughout the conference.

Five year performance summary

2009/10 2008/09 2007/08 2006/07 2005/06

Our Clients

Client Contact Centre enquiries	Number	352,103	350,713	346,010	327,085	309,145
Bond lodgements	Number	245,080	241,835	235,160	229,244	221,601
Number of bonds held	Number (at June 30)	433,061	417,875	399,533	382,009	365,667
Value of bonds held ¹	\$'m (at June 30)	525.2	490.3	432.2	374.4	329.3
Investigations commenced	Number	523	589	666	746	557
Requests for dispute resolution	Number	19,628	19,276	18,188	16,877	15,182
Client satisfaction results	Rating/10	8.4	N/A	8.2	N/A	7.9
Website user sessions	Number	1,246,980	963,005	1,049,607	950,642	808,697

Our Sector

Briefing notes and ministerial correspondence	Number	115	137	133	179	134
Response to statistical enquiries	Number	233	276	318	352	307
Grant funding for Community Education	\$'000	180	148	80 ²	159	99 ³
TAAS(Q) funding ⁴	\$'m	3.4	3.2	3.2	3.2	3.1

Our Organisation

Employees (full time equivalent)	Number	177	167	150	143	133
Staff training hours	Total hours	2991	4290	3365	2896	3972
Client and stakeholder reporting (as indicated in Annual Report awards)	Australasian Reporting Awards (ARA)	Gold	Gold	Gold	Gold	Gold
Quality assurance certification	Achieved/not achieved	achieved	achieved	achieved	achieved	achieved
Operating surplus/deficit	\$'m	13.2 surplus	(16.6) deficit	(1.1) deficit	9.2 surplus	10.2 surplus
Accumulated surplus	\$'m	43.2	27.7	36.8	30.6	25.3

¹ Excludes unclaimed bond money and Australia Post settlements.

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

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

⁴ Also funded by Department of Communities.

Performance overview

Key strategic priorities	Objectives	Targets and comments for 2009/10	
<p>Our Clients</p> <p>Provide quality services to meet the diverse and evolving needs of Queensland's residential rental sector (pg 27-36).</p>	<p>Service quality</p> <p>Continually achieve high standards of quality in service delivery in terms of relevance, accuracy, timeliness and accessibility.</p>	<p>Answer 85.0% of calls within two minutes.</p> <p>Process 95.0% of Australia Post refunds within 15 minutes.</p> <p>Process 85.0% of non-Australia Post refunds within two working days.</p> <p>Resolve 65.0% of disputes through participation in conciliation.</p> <p>Finalise 70.0% of disputes within 28 days of receipt.</p> <p>Successfully finalise 85.0% of investigations.</p> <p>Finalise 90.0% of investigations within six months of commencement.</p> <p>Undertake fifth biennial client satisfaction survey.</p>	
	<p>Service awareness and utilisation</p> <p>Increase the awareness of the RTA's role and improve the accessibility of RTA services and programs.</p>	<p>Implement Phase Two of e-Services enabling client access to access additional online bond administration services such as e-Lodgements.</p> <p>Maintain relevant information on the RTA website for stakeholders and provide increased functionality through interactive PDF forms.</p>	
	<p>Our Sector</p> <p>Support and enhance effective legislative and policy frameworks and collaborate with stakeholders to sustain an evolving residential rental sector (pg 37-44).</p>	<p>Regulation</p> <p>Regulate the sector through a policy framework which considers the rights and responsibilities of all parties and its impact on the sector.</p>	<p>Complete community education activities and monitor operations of the new Act.</p>
		<p>Engagement</p> <p>Engage with stakeholders to identify emerging trends and improve understanding of the issues affecting the residential rental sector.</p>	<p>Engage with sector stakeholders and maintain quality consultative processes.</p>
		<p>Support</p> <p>Support the sector through education, industry analysis and funding initiatives.</p>	<p>Maintain high quality and regular statistical reporting and analysis.</p> <p>Continue to undertake education activities with a focus on regional areas. Conduct a new funding round for the Community Education Public Grants Scheme.</p> <p>Provide funding of \$3.4m for the continued operation of the TAAS(Q) program to provide community based tenancy information and advice.</p>
	<p>Our Organisation</p> <p>Continue to build an innovative and flexible organisation undertaking sustainable operations in a healthy and motivational work environment with high standards of corporate governance and accountability (pg 45-58).</p>	<p>Our people</p> <p>Build a high performing organisation based on a foundation of leadership, collaboration, planning and communication.</p>	<p>Review and update content of the RTA's legislation training course to reflect the provision of the new <i>Residential Tenancies and Rooming Accommodation Act 2008</i>.</p>
		<p>Our environment</p> <p>Support whole-of-government initiatives for environmental sustainability.</p>	<p>Continue to implement environmentally friendly initiatives such as waste and energy reduction and maintain organisational awareness.</p>
		<p>Our business operations</p> <p>Identify and implement sustainable improvements in RTA's corporate governance standards, systems and processes to support business outcomes, add value and deliver measurable benefits.</p>	<p>Continue development of the RTA Intranet for improved internal communications and information management.</p> <p>Continue the development of the management standards component of the Corporate Governance Framework, including project management and policy development.</p>
<p>Our finances</p> <p>Maintain financial accountability, sustainability and integrity.</p>		<p>Achieve target of 5.0% return on investment.</p>	

Were these targets achieved?	Aims for 2010/11
Answered 82.7% (352,103) calls within two minutes, almost meeting target (pg 29).	Achieve 85.0% of calls answered within two minutes.
99.0% of Australia Post refunds processed within 15 minutes (pg 30).	Maintain 95.0% of Australia Post refunds processed within 15 minutes.
93.9 % of non Australia Post refunds processed within two working days (pg 30).	Maintain 85.0% of non-Australia Post refunds processed within two working days.
66.8% of disputes were resolved through participation in conciliation (pg 32).	Maintain 65.0% of disputes resolved through participation in conciliation.
91.8% of disputes were finalised within 28 days of receipt (pg 32).	Maintain 80.0% of disputes finalised within 28 days of receipt.
Resolved 96.1% of investigations successfully (pg 32).	Maintain 85.0% of investigations being successfully resolved.
Finalised 96.2% of investigations within six months (pg 32).	Maintain 90.0% of investigations finalised within six months of commencement.
2010 Client Satisfaction Survey completed (pg 35).	Develop and implement an action plan based on key areas for improvement identified in 2010 Client Satisfaction Survey.
Still in development due to technical and accountability reasons (pg 33).	Implement Phase Two of e-Services enabling client access to additional online bond administration services such as e-Lodgements.
Website maintained (pg 33). Interactive PDF forms introduced.	Continue to provide relevant information on the RTA website for stakeholders.
New legislation successfully implemented and monitored (pg 39). Community education activities for introduction of new legislation completed (pg 41).	Monitor operation of the Act. Finalise and implement recommendations of national tenancy database uniform law project.
Held four Industry Development Forums and liaised with a range of industry and government groups (pg 43).	Continue to engage with sector stakeholders and maintain quality consultative processes.
Rental sector data published on website quarterly (pg 41).	Maintain high quality and regular sector data reporting and analysis.
Outreach and education programs were held in Brisbane with the Chinese community and with student accommodation providers (pg 42). The 2010 Community Education Grants Scheme was launched in February 2010 (pg 42).	Continue to undertake education activities with a focus on regional areas. Conduct a new funding round for the Community Education Public Grants Scheme.
Funding of \$3.4m provided for the community based TAAS(Q) program (pg 42).	Provide funding of \$4.3m for the continued operation of the TAAS(Q) program to provide community based tenancy information and advice.
The RTA's legislation training course was reviewed and the content updated in line with the provisions of the new <i>Residential Tenancies and Rooming Accommodation Act 2008</i> . The new program was released and conducted in June 2010 (pg 47).	Undertake a corporate staff development and training program.
The RTA moved to a 5 star Green Star rated building and continues to implement environmental initiatives (pg 50).	Continue to implement environmentally friendly initiatives such as waste and energy reduction and maintain organisational awareness.
Technical operation of Intranet reviewed and changes made to improve timeliness and information content on Intranet (pg 53).	Complete a full test of the business continuity and disaster recovery plans.
RTA Corporate Governance Framework approved by RTA Board in April 2010 (pg 53).	Complete implementation of Portfolio Management Office and associated project management framework.
Achieved a rate of return of 7.8%, exceeding target (pg 54).	Achieve target of 6.0% return on investment.

Chair's message

The new Act has been successfully implemented and client satisfaction with services has increased to a new high. The Board and I appreciate the work staff have done in providing such a high standard of services to the Queensland rental sector.

Supporting a fair rental sector

The RTA contributes to the government's objective of a fair Queensland through its regulation of residential tenancies. The introduction of new legislation can be challenging for any sector. I am pleased to report that the *Residential Tenancies and Rooming Accommodation Act 2008*, which commenced on 1 July 2009, was successfully implemented. Monitoring indicates that the new provisions have been generally well accepted and stakeholders have transitioned well to the new requirements and forms.

A key element of the RTA's support for the rental sector is the services it provides. This year the RTA has demonstrated an improvement in the quality of its client services, despite the high number of transactions. In the biennial client satisfaction survey conducted in April this year, average overall client satisfaction rated 8.4 on a 10 point scale.

Accessible client services

The Board and I have a strong commitment to ensuring that RTA services are accessible. We service regional Queensland with a toll free telephone information and conciliation service, regional conciliators and the RTA website.

Our multicultural action plan (pg 34) also ensures that our services are accessible to a wide range of groups in the community. The Board held a meeting in Townsville during the year, which provided an opportunity for us to meet regional stakeholders and hear about local tenancy issues.

A successful national conference

In September 2009, the RTA hosted the 8th Australasian Residential Tenancies Conference on the Gold Coast.

The conference was an outstanding success with around 240 delegates from around Australasia meeting to discuss current practices in the residential tenancies sector and emerging issues. My congratulations to the organising committee for arranging such a successful conference.

Sound finances

The RTA's revenue comes solely from investment income. Consequently the global financial crisis had a significant impact on the RTA's investment reserves. Investment returns have improved this year, allowing the RTA to rebuild its investment reserves.

New Board members

The RTA Board has gone through a transition this year as three of our long standing members retired and we welcomed three new board members to the RTA.

The new board members, Deidre Coghlan, Bradley Currie and Deborah Duffy, all have strong knowledge and experience in the Queensland rental sector (see details pg 18).

I would like to thank retiring members, Darrell Brady, Luella Camp and Cathy Bavage, for their significant contribution to the Board, particularly in the last few years during the review and enhancement of the legislation.

Excellence in reporting

As a Queensland Government Statutory Authority, it is important that we are transparent and accountable to our stakeholders. The RTA has strong governance processes (see pg 22). Our annual report is an important part of our governance framework. It is essential that information in the annual report is not only accurate and relevant, but also easy to navigate and understand.

The RTA endeavours to maintain a high standard of reporting. The 2008/09 RTA Annual Report was recognised with our eighth consecutive Gold Award in the Australasian Reporting Awards.

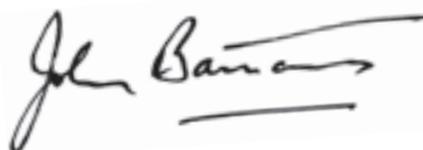
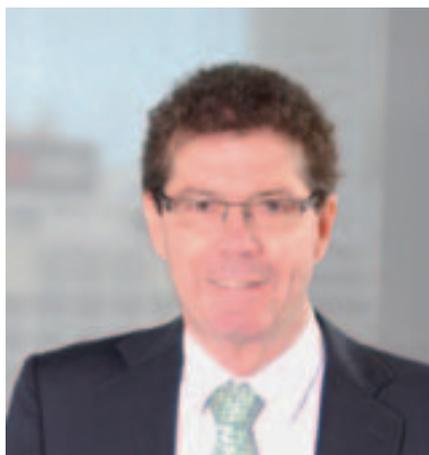
The year ahead

One of the RTA's ongoing challenges is to maintain the quality and timeliness of our services in the context of steady growth in the Queensland rental sector. The RTA deals with a high level of client interactions and it is important that our services are efficient and in line with contemporary client service practices.

Consequently in 2010/11, the RTA will continue to review and upgrade its business systems and develop its capacity to undertake projects which will enhance our services.

Acknowledgement

I would like to take this opportunity to thank the Board, the General Manager Mr Fergus Smith, and our staff for continually striving for excellence in our support of the Queensland rental sector.



General Manager's message

We have achieved strong results with new legislation, the ongoing delivery of high quality client services and establishing a strong financial position. Our challenge is to continue to build our capacity to support the rental sector.

Our Clients

Improved client satisfaction

The RTA continued its focus on quality services. In the April client satisfaction survey, the RTA achieved an average client satisfaction rating of 8.4, with 91% of clients reporting a satisfaction rating of at least 7 out of 10. Our average rating has increased from 8.2 in the 2008 survey, when 87% of clients reported a satisfaction of at least 7 out of 10.

Client satisfaction improved in the context of a high volume of client interactions. Calls answered by the Client Contact Centre remained steady at over 350,000 calls. Demand for bond lodgement and refund services decreased by 4% compared to last year with over 670,000 forms processed for the year. Dispute resolution requests were steady with almost 20,000 requests lodged.

The RTA aims to improve the effectiveness of its client services on an ongoing basis. The Client Contact Centre introduced call monitoring as a training and quality control measure. With a high number of calls each day, the challenge is to provide accurate and consistent information to clients. The Dispute Resolution Service also implemented call conferencing, which allows an RTA conciliator to facilitate a negotiation with both parties to a tenancy dispute at the same time. This process has contributed to improving the timeliness of resolving disputes.

Our Sector

A fair policy framework

The *Residential Tenancies and Rooming Accommodation Act 2008* commenced on 1 July 2009. The Act is generally operating as intended and we are monitoring its impact in the sector on an ongoing basis.

The Queensland Civil and Administrative Tribunal (QCAT) commenced on 1 December 2009, replacing the Small Claims Tribunal. The RTA has had ongoing liaison with QCAT officers and contributed \$35,000 to assist in the recording of reasons for decisions in tenancy cases.

This year the RTA Community Education Public Grants Scheme allocated more than \$180,000 to 14 community groups for education projects targeting clients from indigenous, culturally and linguistically diverse backgrounds, youth and people with a disability.

The RTA has also been the lead agency in the coordination and drafting of the national uniform law on tenancy databases. The RTA worked with the Office of Parliamentary Counsel to develop generic legislation to apply across all Australian jurisdictions. This complex task included negotiation with all states and territories to achieve consensus for the model legislation and coordinating a national consultation on the draft model provisions.

Our Organisation

Building our capacity

The RTA is a Queensland statutory authority, self funded by the revenue generated from its investments, primarily of rental bonds lodged. Improved investment returns in 2009/10 have allowed the RTA to recover from the impact of world financial events and establish a strong financial position.

In March this year, the RTA moved to new offices. The move brought together staff from two locations and has improved efficiency. It also positions us for future growth that may be necessary over the next decade to keep pace with growth in the Queensland rental sector.

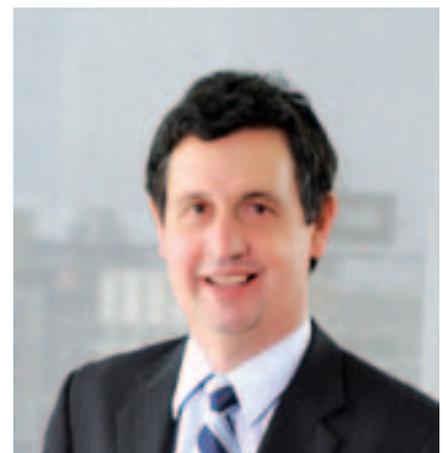
In February 2010, all RTA staff members were given the opportunity to participate in a Workforce Attitude Survey, which achieved a strong response rate of 85%. The survey found that teamwork, client understanding, service provision, knowledge sharing with co-workers, knowledge sharing with team leaders, as well as contribution to the organisation are defining characteristics for the RTA. Each RTA team is developing an action plan which will help us to respond appropriately to staff needs and will also assist with business planning.

Our future

While the RTA is a successful organisation, we need to regularly review our business systems and processes in the context of a growing rental sector, changing client expectations particularly in the area of electronic service delivery and increasing corporate governance standards. Over the next year the RTA will review its strategic objectives, with a particular focus on our business systems.

The RTA team

I would like to take this opportunity to thank the Board for its directional support and to express my sincere appreciation of the dedication to excellent client service shown by staff during what has certainly been a demanding year.



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 Queensland private residential rental data. Economists, analysts, property managers, developers, employers and government use the RTA's rental sector data in their analyses and reporting on residential rental trends.

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 since 1989, beginning under the *Rental Bond Act 1989* and more recently the *Residential Tenancies and Rooming Accommodation Act 2008*. The Act covers general tenancies (including moveable dwellings and aged rental) and rooming accommodation. The bulk of the RTA's activities relate to general residential tenancies.

The impact of rooming accommodation related activities is limited in operational terms as the number of bonds, calls, disputes and complaints relating to non-compliance are not high.

For the purposes of monitoring Queensland's rental sector, the data of most significance is that relating to general residential tenancies.

Bond records provide data for a range of functions, including the 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 when transactions occur, this data is used for the 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 in the number of bonds held by the RTA over time indicates the growth in the number of residential properties rented.

The size of the sector

As at 30 June 2010 the RTA was holding 425,115 rental bonds compared with 411,542 at 30 June 2009. The number of bonds held grew by 13,573 or 3.3% in 2009/10. 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 in growth of bonds held. There were 235,210 new lodgements in 2009/10 and 221,598 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. In the past five years, the growth in the number of bonds held is indicative of changes in the Queensland rental sector,

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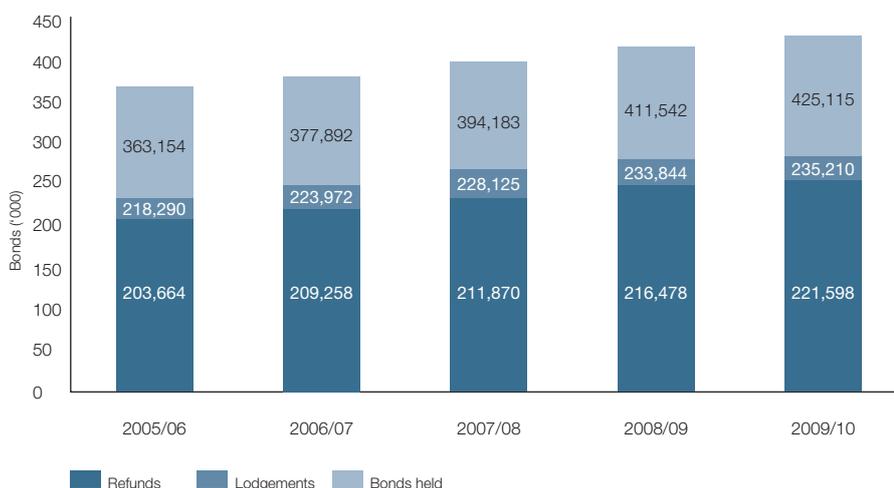
The growth in the number of bonds held by the RTA over time indicates the growth in the number of residential properties rented.

”

influenced by a range of factors including population growth, demand, dwelling type and dwelling location.



Bond lodgements, refunds and bonds held - 2005/06 - 2009/10



Population growth continues

In the 12 months to June 2009, Queensland's share of Australia's population growth was 25.5% or 112,900 people. At this time, Queensland had an estimated population of 4.4 million or 20.1 % of the nation's total population.

Net interstate migration (an average net gain of 350 per week) and net gains from overseas migration accounted for 16.3% and 48.2% of growth respectively while 35.5% was as a result of natural population increase (births less deaths).

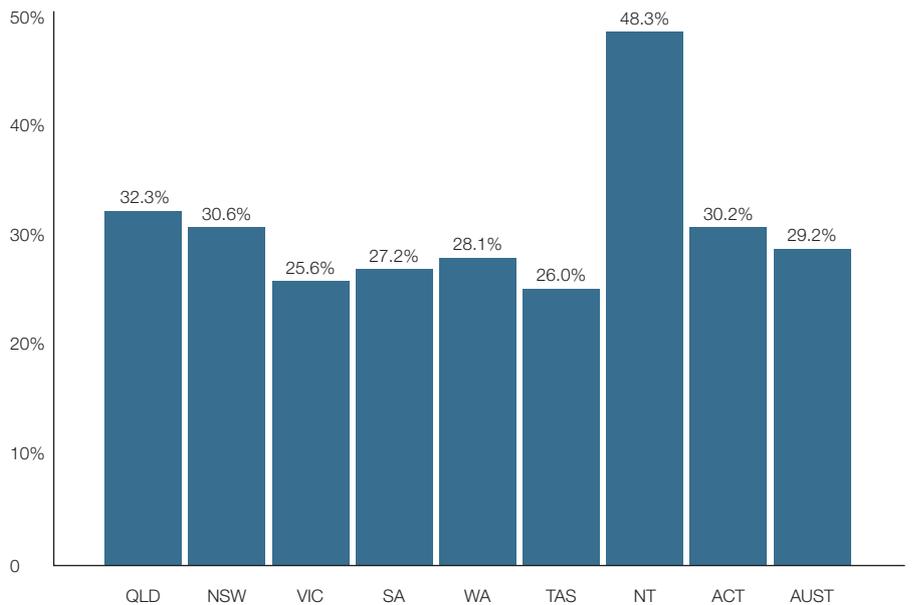


Demand for rental housing

The Queensland population increase translates to greater demand for housing. 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 indicated rented dwellings accounted for 32.3% of occupied dwellings for which tenure was known. Results from previous censuses in 1996 and 2001 showed that 31.3% and 31.5% respectively of total dwellings were being rented at that time.

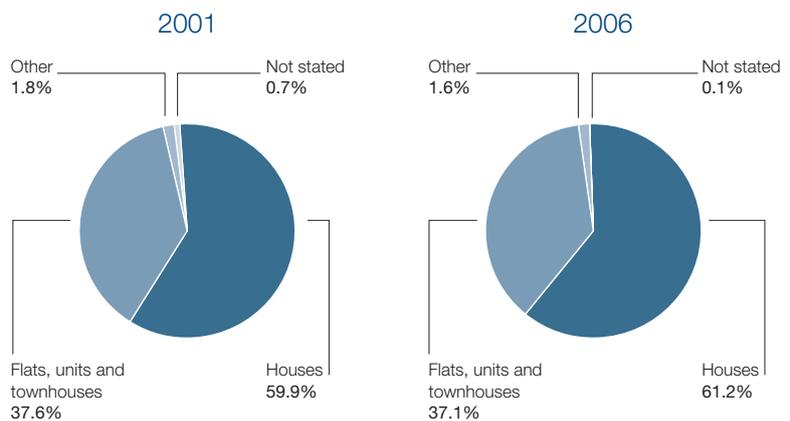
The census results showed that Queensland continues to have the highest proportion of rented dwellings of any Australian state.

Proportion of occupied private dwellings rented - 2006*



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

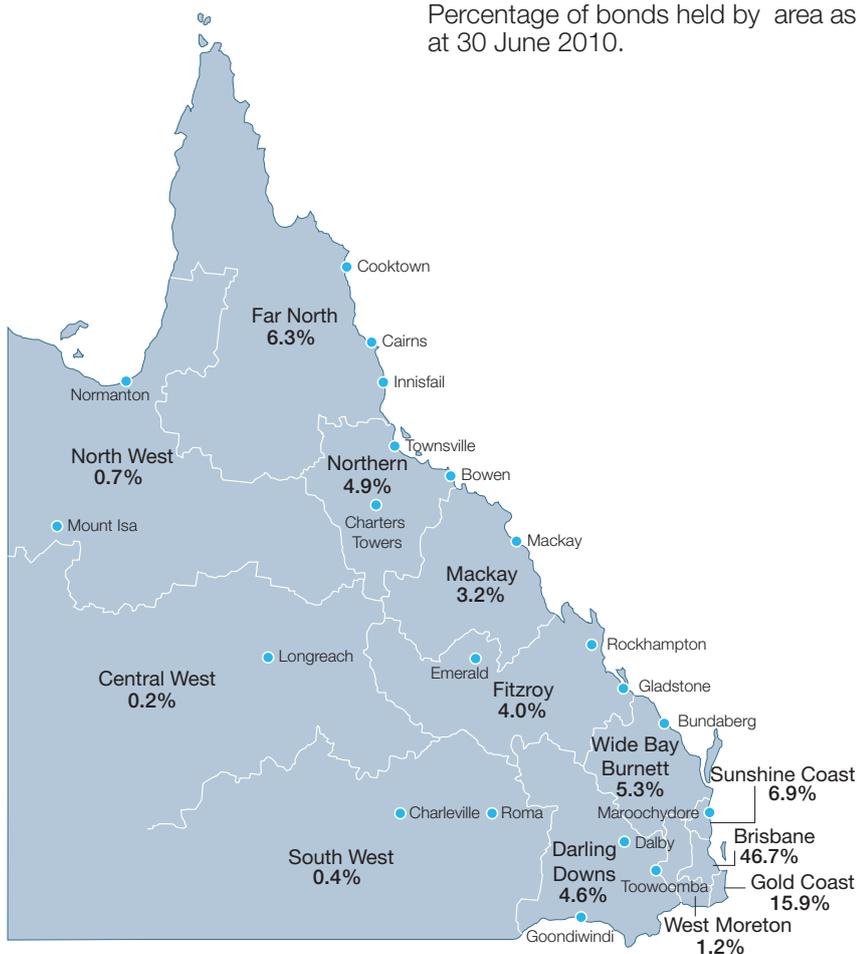
Type of dwellings rented in Queensland 2001 and 2006



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

Queensland's private residential rental sector

Percentage of bonds held by area as at 30 June 2010.



Queensland's South East region accounts for 66.8% of all rented dwellings (2006 census) and 70.7% of the state's rental bonds.



What are people renting?

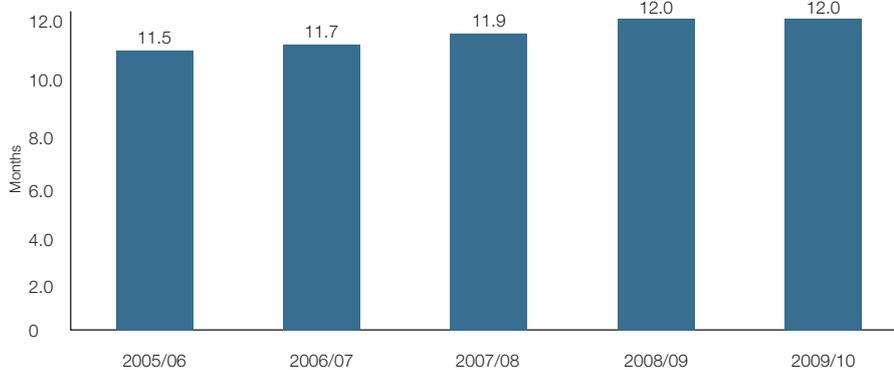
A comparison of data from the 2001 and 2006 censuses showed that the number of rented flats, units and townhouses in Queensland increased from 153,709 to 160,325, an increase of 4.3%. These dwelling types represented 37.1% of all rented dwellings in 2006 compared with 37.6% in 2001. The increase in rented dwellings was greater than for flats, units and townhouses. There were 264,404 rented dwellings 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 pie charts on the previous page show the changes in Queensland rented dwelling types 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 2010 is presented top left. It shows that 70.7% of rental properties for which the RTA was 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 2008/09*) and 66.8% of rented dwellings, not including those rented from the State Housing Authority (2006 census) were in this area.

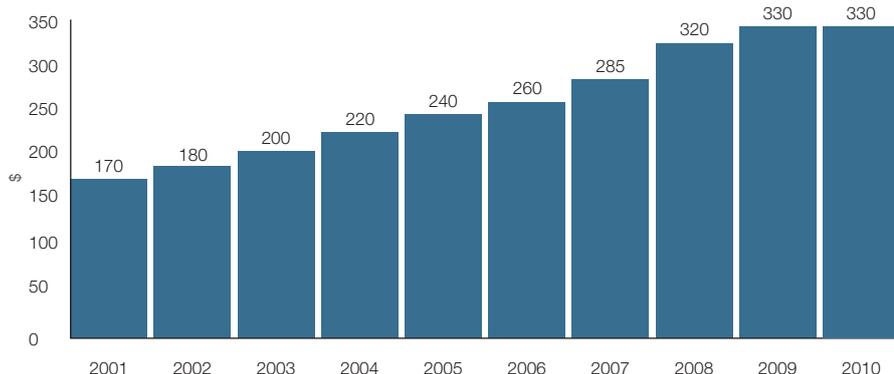
Brisbane and Gold Coast Statistical Divisions saw the largest growth in bonds with a combined increase of 7,466 bonds, representing 52.7% of the total growth. Other areas experiencing noticeable growth include the Sunshine Coast Statistical Division exhibiting growth of 1,259 or 8.9% and Wide Bay Burnett Statistical Division which grew by 1,046 or 7.4%. Growth experienced by other statistical divisions was Far North 6.9%, Mackay 5.8%, Fitzroy 5.4% and Northern 5.4%.

Median length of tenancies (months) - 2005/06 to 2009/10



Median weekly rents - Queensland

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





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 being rented in the 'private' sector.

According to the *2007/08 ABS Survey of Income and Housing*, household types most likely to rent are:

- group households which represent 8.4% of households and 80.5% are renters
- one parent and dependents households representing 13.3% of households and 65.5% are renters
- lone person households which represent 27.1% of households and 37.9% are renters. Renters aged less than 35 years make up 62.7% of lone persons households
- The household type least likely to rent is couples only aged 55 years and over, representing 16.9% of households and only 6.5% of all renters.

According to data published by the Real Estate Institute of Australia for the March 2010 quarter, at \$350 per week, Brisbane is ranked fifth in terms of median weekly rents for 3 bedroom houses, after Darwin, Canberra, Perth and Sydney. At \$350 per week, Brisbane is ranked fourth with Perth in terms of median weekly rents for 2 bedroom dwellings after Canberra, Sydney and Darwin.

Length of 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 2009/10, the median length of time bonds were held was 12.0 months, the same as 2008/09. Further, 49.6% of bonds were finalised within 12 months (49.5% in 2008/09). In comparison, the median length of time bonds were held in 2005/06 was 11.5 months with 53.8% of bonds being finalised within 12 months. The second chart on the left shows a stabilisation in the median length of residential rental tenancies over the past couple of years.

Tenancies in houses are generally longer than those in flats/units with the median length of time bonds were held in 2009/10

for flats/units being 11.6 months, no change from 2008/09, compared to 12.9 months for houses (12.7 months in 08/09).

Who manages properties?

Information recorded on bond lodgement forms received by the RTA in 2009/10 shows that 87.9% of rental properties were being managed by licensed real estate agents, 10.1% were managed by lessors or owners with 2.0% being managed by other parties.

Rents – whole of Queensland

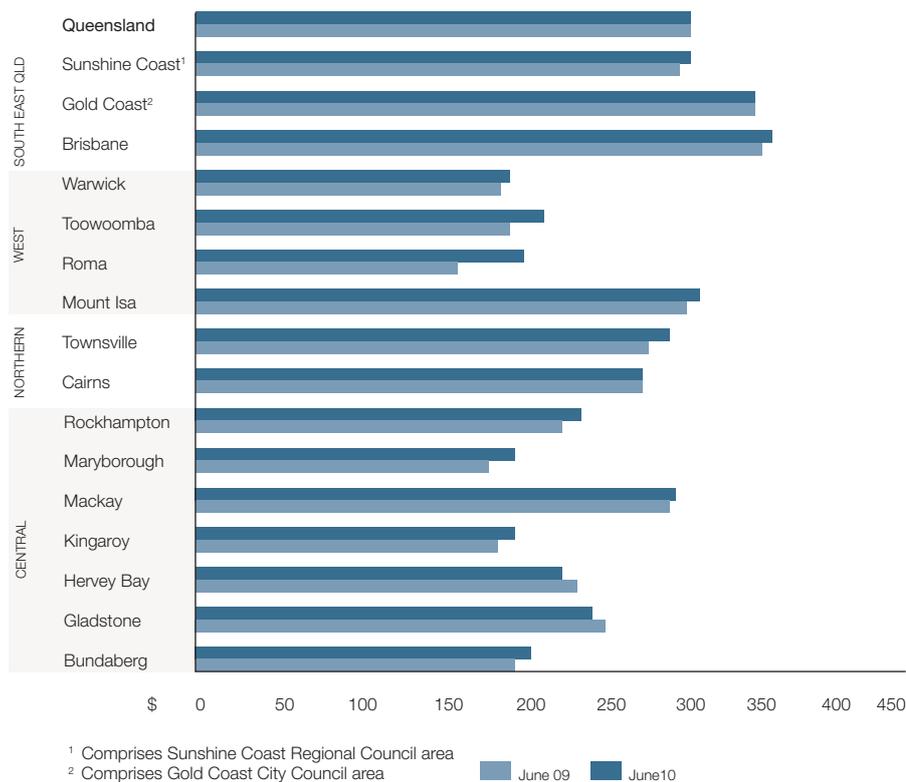
The weekly rent applicable when a bond is lodged (generally at the beginning of a tenancy) is recorded in the RTA's rental bond database. An analysis of bond lodgement data during a period of time provides a guide to sector rents at that time.

The second chart on the left shows rents for Queensland from 2001 to 2010. There have been steady increases since 2002. However, the last 12 months has seen rents stabilise again with no change seen from June 2009 to June 2010.

Queensland's private residential rental sector

Median weekly rents - 2 bedroom flats

(Based on new bonds lodged in June quarters 2009 and 2010)



Rents – centres throughout Queensland

Queensland is made up of a number of housing markets based on factors such as location and dwelling type. The charts on the left show changes in median weekly rents in selected areas of Queensland between June 2009 and June 2010, 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. The area which experienced the most significant rent increases for both houses and flats was Roma. Considerable increases in rents for flats were also experienced in Toowoomba, Warwick, Mt Isa and Maryborough, while Warwick, Toowoomba and the Sunshine Coast saw reasonable rent increases for houses. In contrast, Gladstone and Hervey Bay showed a decrease for flats and Cairns showed no change for either dwelling type.

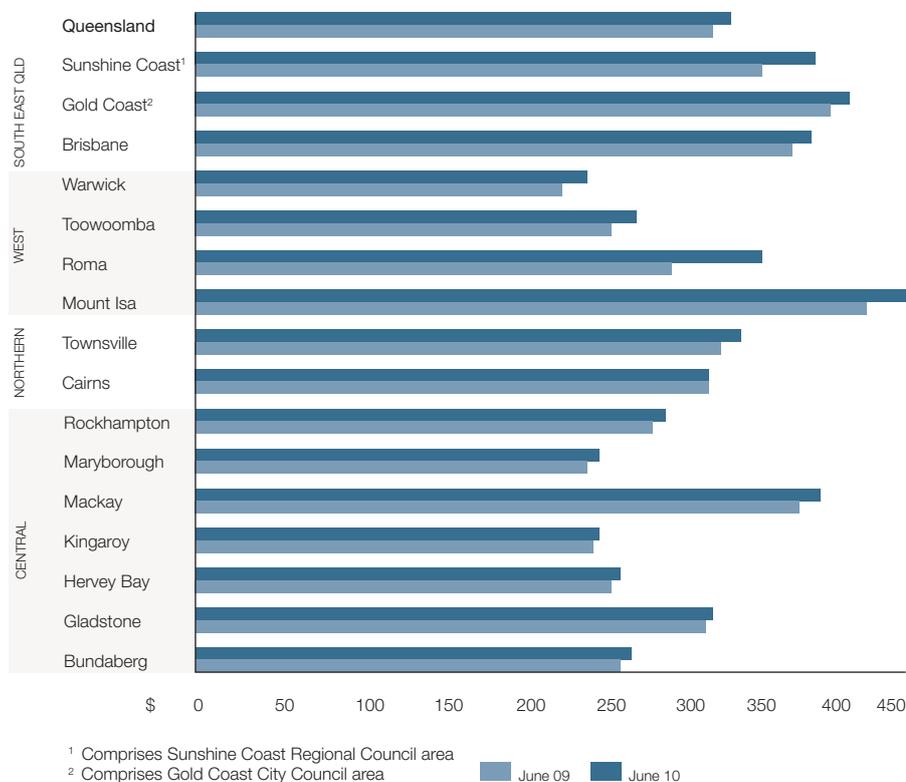
Vacancy rates remain high

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 local government level annually.

Results from the June 2010 survey show that the overall vacancy rate for rental dwellings in Queensland was 4.7%. This figure is relatively steady compared to June 2009 indicating that vacancy rates were stable over the last 12 months. Brisbane had the lowest vacancy rates with inner Brisbane at 2.8% (3.3% in June 2009), Brisbane surrounds 4.2% (3.9% in June 2009) and remainder of Brisbane increasing to 4.9% up from 2.8% in June 2009. The vacancy rates on the Gold Coast were relatively unchanged at 5.4% in June 2009 compared to 5.5% in June 2010, with the rest of Queensland decreasing from 5.7% to 5.1% for the same time periods.

Median weekly rents - 3 bedroom houses

(Based on new bonds lodged in June quarters 2009 and 2010)



For more information

Information relevant to Queensland's residential rental market is regularly reported through the RTA's bi-monthly electronic newsletter *Update* and the website - www.rta.qld.gov.au.

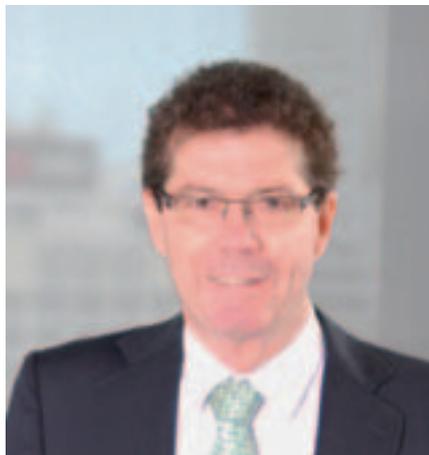


10

MAIL

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.



John Battams, BEc, Dip Ed

Chair

Mr Battams was appointed as Chairperson of the RTA Board on 4 December 2004. He is currently the General Secretary of the Queensland Teachers' Union and as such has an extensive knowledge of the state, regularly visiting major centres, towns and remote areas of Queensland.

Mr Battams has extensive directorship experience. He is Chair of Sunsuper, a major superannuation fund and has been a Director of WorkCover Queensland. He is also the President of the Queensland Council of Unions, which is the peak trade union body in Queensland. As a consequence, he has developed a very good understanding of the way in which government departments, agencies and corporations operate. He has significant experience at leading both small and large organisations, developing good working relationships with senior management and employees of organisations as well as developing and implementing business plans.



Lee Banfield,
Grad Cert (Housing Mgt
& Policy)

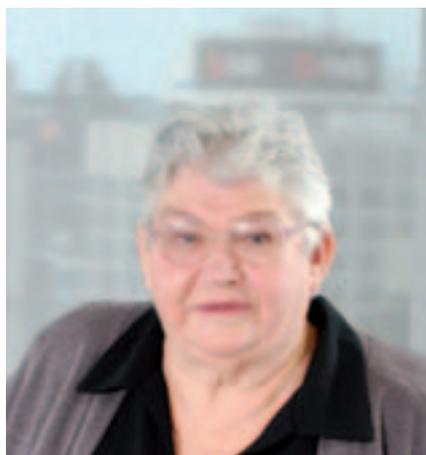
Director

Ms Banfield was appointed as a Director on 2 July 2009.

She is currently the Manager of the Tenant Advice and Advocacy Service (Queensland) on the Sunshine Coast.

Ms Banfield brings extensive knowledge of the Queensland rental sector through her experience working with the Tenant Advice and Advocacy Service (Queensland) and Tenants' Union of Queensland as well as prior experience as a property manager.

Ms Banfield has also been a Queensland Shelter representative to the RTA Industry Development Forum.



Deirdre Coghlan,
BSW

Director

Ms Coghlan was appointed as a Director on 7 April 2010.

Ms Coghlan was a member of the first Board of the Rental Bond Authority (RBA) which was the precursor to the RTA. She brings with her 25 years of experience working in government and community sectors to the Board.

Ms Coghlan has detailed knowledge of the Queensland rental sector through her statewide community housing experience and her participation in housing policy development. She has been a member of a number of Ministerial advisory boards around community housing and boarding houses and she is a life member of Queensland Shelter.



Bradley Currie,
Dip Bus Mgt, Dip Com Mgt

Director

Mr Currie was appointed as a Director on 7 April 2010.

Mr Currie is a Mununjali man and General Manager of the Mununjali Housing Development Organisation, a position he has held for the past 17 years.

Mr Currie has more than 20 years experience in the indigenous housing sector. He was Chair of the South East Queensland Regional Indigenous Housing Organisation and brings to the Board in-depth knowledge of the Queensland rental sector, in particular indigenous housing.



RTA Board.



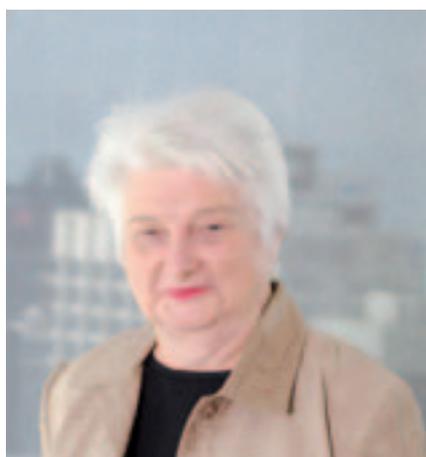
Deborah Duffy,
JP (CDec), MAICD

Director

Ms Duffy was appointed as a Director on 7 April 2010.

Ms Duffy is also a Director of the Board of the Real Estate Institute of Queensland.

She has more than 24 years experience in the real estate sector and has won numerous industry accolades including Property Manager of the Year. Ms Duffy brings to the Board a wealth of knowledge of the Queensland rental sector and knowledge of housing issues in North Queensland.



Roslyn Wallace

Director

Ms Wallace was appointed as a Director on 7 April 2004.

She brings expertise gained first as a member and subsequently as Secretary of the Property Owners' Association of Queensland. Ms Wallace also contributes previous experience with the RTA as an Industry Development Forum member. Ms Wallace lends her hands-on knowledge to the Board with skills in interviewing, advising and supporting parties, particularly lessors with rental concerns.



Charles Ware,
BA LLB (Hons), MBus, LLM,
FAICD

Director

Mr Ware was appointed as a Director on 14 April 2005.

He joined the RTA Board with 20 years experience as a partner in a private legal practice in Central Queensland. His legal expertise lies primarily in the areas of property, commercial and corporate work, in addition to substantial local government practice. Mr Ware also brings a broad range of directorship experience to the RTA Board, with current appointments including Deputy Chancellor of Central Queensland University, Deputy Chair of Gladstone Ports Corporation Ltd, member of the Board of Professional Engineers as well as previous experience in the Queensland electricity supply industry.

Executive team

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



Fergus Smith, BSc, MA, MBA, GAICD

General Manager

As head of the Executive team, Mr Smith reports to the RTA Board and is responsible for the leadership, strategic direction and operation of the RTA. He joined the RTA in 2002 as Corporate Services and Investigations Manager before being appointed General Manager in 2006.

He brings to the role strong leadership skills and extensive knowledge of the Queensland housing sector, having previously worked in senior management positions for Queensland's Department of Housing in areas such as policy, strategic planning, research, performance management, housing systems initiatives and community housing. His knowledge and experience ensures the RTA continues to support and enhance Queensland's ever evolving residential rental sector.



Ray Rapinette,
BCom, GAICD, MNIA

Corporate Services Manager

Mr Rapinette is responsible for the management of the Corporate Services team, providing internal support to the RTA through human resources, legal, financial management, information technology, records management and project assistance. Mr Rapinette joined the RTA in January 2007 as Corporate Services Manager.

He brings more than 20 years local government and 18 years banking industry experience to the RTA. He has previously held executive management positions in local government in the areas of corporate governance, policy and organisational performance, strategic and operational planning, financial management, organisational development, information technology and telecommunications, risk management and facilities management.



David Breen,
BA (Hons), Grad Cert (Housing
Mgt & Policy)

Policy & Educational Services Manager

Mr Breen heads the Policy and Educational Services team undertaking research, policy development, community engagement and investigations to maintain integrity and balance with Queensland's rental sector while supporting RTA clients through external communications channels. Mr Breen was appointed Policy and Educational Services Manager when he joined the RTA in 1999.

He has extensive knowledge of the Queensland housing sector having worked in program and operational areas in the Department of Housing. Prior to this he worked for 17 years in disability services in several states.



Phil Davison,
BSW, Grad Dip (HR & IR)

Dispute Resolution Services Manager

Mr Davison is responsible for managing the RTA's Dispute Resolution Services team, providing support to RTA clients through specialist conciliation services to help resolve disputes arising in agreements under the *Residential Tenancies and Rooming Accommodation Act 2008*. He was appointed Dispute Resolution Services Manager when he joined the RTA in January 2006.

He has prior work experience with Queensland government bodies having worked for the Office of the Adult Guardian and as Manager of Complaints for the Anti-Discrimination Commission Queensland for more than seven years.



RTA Executive team.



Kylie Lewis,
BBus (Mgt)

Rental Bond Services Manager

Ms Lewis oversees the RTA's provision of a rental bond custodial service including the processing of all bond lodgements and refunds. She joined the RTA in 1995 as Research Officer (Statistics) and was appointed Rental Bond Services Manager in May 2009.

She brings extensive public service experience to her role. Before joining the RTA, Ms Lewis worked for various organisations including the Lands Department, the Queensland Government Statisticians Office, the Department of Education and Corrective Services.



Alan Tupper

Client Contact Services Manager

Mr Tupper heads the RTA's Client Contact Centre which provides a free telephone information service for tenants, lessors, agents, residents and accommodation providers.

As the longest serving RTA Executive member, he has been part of the Executive Team since the creation of the Rental Bond Authority (RBA) in 1989. As a member of the first management team, he played a pivotal role in getting the RBA off the ground and oversaw the administration of the *Rental Bond Act 1989*.

Corporate governance

The success of the RTA has been achieved through transparency, accountability and trustworthiness with the RTA's Board and management having a long standing commitment to good corporate governance.

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

Organisational perspective

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

Accountability perspective

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



The role of the Board

The RTA Board operates in accordance with its responsibilities outlined in the legislation. The RTA Board Charter outlines 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.

The Board's specific responsibilities include:

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

As Chief Executive Officer, the General Manager provides strategic policy advice to the Chair, Board and Minister on the operation and monitoring of the legislation.

The General Manager is responsible for all aspects of RTA management, staffing and administration.

The General Manager provides monthly RTA performance, operations and compliance reports to the Board. The Board also receives reports and updates on strategic policy issues.

The General Manager attends all Board meetings with senior executives attending as required.

As part of the annual review process, the RTA Board Charter was reviewed in December 2009. Profiles of the RTA Board members are on pg 18-19.

Organisational perspective

Management structure

The management structure includes organisational arrangements enabling the RTA to carry out its role.

The RTA Board

The Governor-in-Council appoints the Board which is comprised of a Chair and six directors for a term of three years. The current Board members were appointed in April 2010. All new directors participate in an induction program focused on governance, RTA operations and meeting key senior officers.

Board members have diverse skills and expertise and include representatives of industry and consumer organisations.

Remuneration for Board members is determined through Cabinet approved procedures, administered by the Department of Justice and Attorney General and based on the Board's functions and powers. Each year the Board conducts one regional Board meeting, and meets with regional representatives from the local rental sector. The Board convened in Townsville on 25 August 2009 and hosted a lunch with local sector stakeholders and the Hon Karen Struthers MP, Minister for Community Services and Housing and Minister for Women.

Board meetings for 2009/10

Members	Full Board		Audit & Risk Committee		Notes
	Attended	Scheduled	Attended	Scheduled	
John Battams	12	12	4	4	~ Ms Cathy Blunt independent ARC Member attended four meetings. # Appointed on 7 April 2010 * Retired on 6 April 2010 ^ Appointed Audit & Risk Committee 1 April 2010
Lee Banfield	11	12			
Deirdre Coghlan #	2	2			
Bradley Currie #	2	2			
Deborah Duffy #	2	2			
Roslyn Wallace ^	12	12	1	1	
Charles Ware	10	12	4	4	
Cathy Bavage *	10	10	3	3	
Darrell Brady *	10	10			
Luella Camp *	9	10			

Organisational structure



Audit and Risk Committee

The RTA Audit and Risk Committee (ARC) is a key governance function ensuring the RTA operates within an appropriate framework of internal control and risk management. The Audit and Risk Committee Charter, reviewed annually, clearly defines the roles and responsibilities of its members.

The ARC consisted of Ms Cathy Bavage (ARC Chair/RTA Director until March, 2010), Mr Charles Ware (ARC member/RTA Director and ARC Chair from April, 2010), Ms Roslyn Wallace (RTA Director), Mr John Battams (ex-officio member/RTA Chair) and Ms Cathy Blunt (independent member).

The main functions of the ARC are to oversee 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 external auditors, oversee the conduct of the audit, discuss findings and identify priorities requiring the attention of the ARC for the coming year.

Organisational structure

The RTA has a functional structure aligned to the strategic plan aimed at maximising the operational capability and capacity of management and staff.

RTA Executive team

The General Manager leads the RTA Executive team comprising of divisional

managers. The Executive team is proactive and meet weekly ensuring strategic priorities and operations of the RTA are on track. To view the RTA's Executive team profiles see pg 20-21.

Agency Consultative Committee

The RTA Agency Consultative Committee (ACC) includes representatives from management, staff and the Queensland Public Sector Union. The ACC assists with RTA staff issues through open dialogue between management and staff representatives.

Information and Portfolio Management Steering Committee

The Information and Portfolio Management Steering Committee (IPMSC) is chaired by the General Manager and attended by senior management.

An independent expert provides advice on aspects of project management and emerging technologies.

The IPMSC is the key internal governance body responsible for ensuring corporate projects operate efficiently and effectively, and are sufficiently resourced to support the business and corporate needs of the RTA.

This steering committee undertook a review of its charter in May 2010 to ensure currency and broadened its focus to include all business related projects.

Ethical standards

The RTA's Code of Conduct guides staff to carry out their duties with efficiency, integrity, confidentiality and impartiality and to deliver a high standard of service to the community.

Right to Information

Right to Information is the Queensland Government's approach to providing the community with access to information controlled by government. The RTA supports the principles of the *Right to Information Act 2009* by operating in an open, transparent and accountable manner while protecting the privacy of clients and staff. In 2009/10, the RTA received four applications for access to documents related to bonds, dispute resolution, investigations and corporate information under the *Right to Information Act 2009*.

Information Privacy Act

On 1 July 2009 the *Information Privacy Act 2009 (Qld)* was enacted to give all members of the public a legally enforceable right to access and amend their personal information. This Act also requires the RTA to safeguard the personal information that it holds and only disclose such information to the individual that the information relates to, where consent has been provided or it is required and authorised under law. In 2009/10, the RTA received eight applications from individuals for access to documents containing their personal information and responded to almost 12,000 requests to disclose personal information to other organisations under law.

Whistleblowers Protection Act

The *Whistleblowers (Disclosure to Member of Parliament) Amendment Act 2007*, amended the *Whistleblowers Protection Act 1994* requiring all Queensland public sector entities to provide statistical information relating to public interest disclosures throughout the year. For the period 2009/10, the RTA received no disclosures pursuant to the *Whistleblowers Protection Act 1994*.

Corporate governance

Accountability 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.

External accountability involves accountability to Queensland Parliament including provision of financial and non-financial reporting.

Business planning

The RTA has an established business planning process as shown in the diagram below. The RTA Board sets the strategic direction of the organisation, documented and formalised through the RTA's Strategic Plan 2009-12.

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.

The Annual Report which is structured according to these strategic priorities 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 specifying activities and performance levels to be achieved.

The RTA has five major corporate support plans:

- Communication and Education Strategic Plan
- Workforce Management Strategic Plan
- Information Technology and Telecommunications Strategic Plan
- Asset Strategic Plan
- Financial Management Strategic Plan.

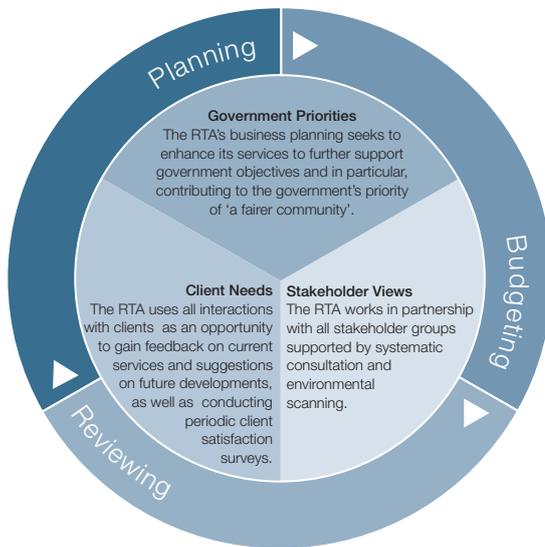
All staff complete annual performance development plans in conjunction with their line manager to identify their contribution to RTA planning and performance and their professional development requirements.



The RTA Board sets the strategic direction of the organisation, documented and formalised through the RTA's Strategic Plan 2009-12.



RTA business planning cycle



Financial planning

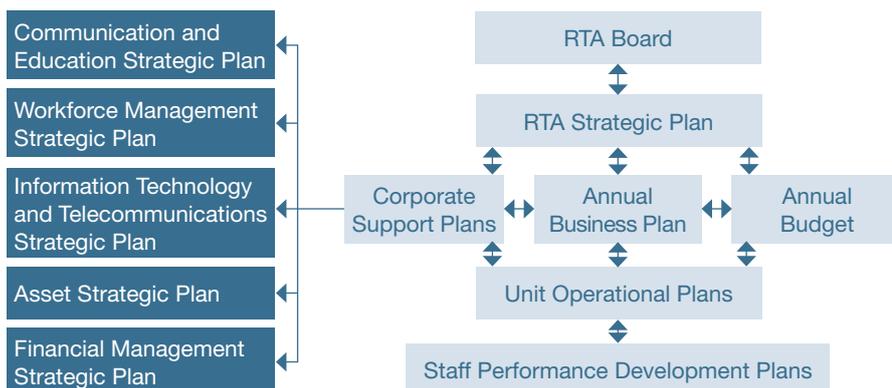
The annual budget process runs in parallel with the business planning cycle, with planning undertaken in the context of the financial environment. Business priorities identified as part of the development of the annual business plan form the basis for detailed budget allocations which fund the activities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

A core part of the RTA's business planning cycle includes operational performance monitoring and environmental scanning. The Board and Executive team review performance to date, sector trends and stakeholder issues particularly at the start of the planning cycle.

The RTA's budget and operational performance are reviewed against monthly targets as part of standardised reporting processes. A comprehensive mid-year budget review allows internal re-allocations to be made within budget, if necessary, ensuring performance targets are met. The RTA reports to public stakeholders through the Annual Report, Service Delivery Statements and associated Parliamentary Estimates processes.

The Executive team is responsible for the implementation of this cycle and to ensure RTA staff understand their roles 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

RTA business planning overview



Performance review framework

Function	Purpose	2009/10 achievements
Monthly financial reporting	Reports level of revenue and expenditure against the approved budget at each Board meeting.	Comprehensive monthly financial reports provided at each Board meeting - no major variances from expenditure budget.
Performance measures	Reports achievements 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 to Board Audit and Risk Committee.	Full status of all audits provided to Audit and Risk Committee - no current critical level risks.
Quality assurance certification	Maintains certification against the relevant ISO standard.	ISO 9001:2008 certification renewed.
Client satisfaction survey	Biennial survey to gauge client satisfaction and identify areas for improvement through an action plan.	Average client satisfaction rate 8.4 out of 10 achieved in 2009/10.
Service Delivery Statements	Contributes to the Minister's report on performance and budget results to the Parliamentary Estimates Committee.	Sound financial position achieved.
Annual Report	High reporting standards ensure accountability to the RTA's clients, sector and staff.	Achieved eighth consecutive Gold Award from Australasian Reporting Awards.

senior staff meet monthly to ensure a team approach to decision making and strategic policy implementation.

Risk management

The RTA's Risk Management Framework is designed to assist staff implement risk management practices and facilitate a risk management culture. To assist in the management of risk, the RTA has a Risk Register identifying strategic and corporate risks together with the risk's contributing factors and mitigating controls. The Risk Register is reviewed quarterly by the RTA's Full Management Team and tabled at each Audit and Risk Committee meeting.

Compliance Register

A Compliance Register has been developed to complement and underpin the risk management process through the identification of legislation and regulations the RTA must comply with.

The Compliance Register is a risk management tool designed to identify and mitigate risks associated with non-compliance under applicable laws and regulations. The Compliance Register is maintained and updated regularly to include relevant government standards and reflecting the RTA's efforts in achieving compliance. Further, compliance activities are geared towards minimising and eliminating significant risks to the RTA.

Internal audit

The Audit and Risk Committee appointed HLB Mann Judd to provide an internal

audit service for three years commencing in 2008. The Annual Internal Audit Plan for 2009/10 was completed and included the following reviews:

Review of risk management

This review concluded the RTA has an excellent Risk Management Framework supported by risk management procedures.

Review of Contact Centre operations

This review made a series of recommendations to improve the operations of the RTA's Contact Centre.

Review of Procurement Practices

This review concluded the RTA has sound procurement practices.

Review of operational planning and budgeting

This review recommended improvements to RTA's business planning timetable to ensure operational planning and budget preparation are carried out concurrently.

Review of bond receipts and cash management

This review recommended enhancements to existing controls.

Review of Australia Post contracts

This review was a precursor to the review of the suite of services provided by Australia Post and resulted in the implementation of a tender process for all contestable services.

Review of governance framework

This was a specific review which concluded that the RTA has developed a sound Corporate Governance Framework.

Performance review framework

The RTA Board and 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 2009/10 performance against key elements of this framework.

Corporate governance

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The RTA prides itself on its effective partnerships with its external stakeholders and key business suppliers to provide responsive service to clients.

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Future priorities - Corporate governance

Key activities for 2010/11 are to:

- Review and enhance RTA's quality assurance and monitoring processes.
- Complete a full review of RTA's risk framework and reporting.
- Establish a long term planning horizon through the development of the RTA Strategic Plan 2011-2014.
- Complete the first phase of the review of RTA's operational policies.
- Review and enhance RTA's corporate support plans to ensure alignment with the Strategic Plan.
- Implement key components of the Queensland Government Performance Management Framework.



RTA Board Secretary Margaret Schofield.

Stakeholder engagement

The RTA prides itself on its 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 it consults with stakeholders to achieve the RTA's vision of 'Working together to support and enhance an evolving rental sector'.

Industry Development Forum

The Industry Development Forum comprises representatives from key rental sector stakeholders and is chaired by the General Manager. Four forums were held in 2009/10 and provided the RTA with feedback, opportunities for community engagement, and stakeholder input on policies and future directions.

Specific consultations

The RTA undertook specific consultations with key stakeholders about the development of uniform national legislation for tenancy databases and the introduction of the Queensland Civil and Administrative Tribunal (QCAT).

Business partners

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

- Queensland Investment Corporation – provides tailored investment services for the RTA.
- Australia Post – enables the RTA to maintain a local agency service network throughout Queensland. In 2009/10 Australia Post services to the RTA included:
 - printing of cheques, receipts and notices
 - RTA forms available at Australia Post outlets
 - bond lodgement and refunds via Australia Post outlets
 - forms warehousing and distribution
 - opening and sorting incoming mail.



Our Clients

Services for our clients

As Queensland's residential rental sector continues to evolve and grow, the RTA addresses the needs of all clients through client 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

Increase the awareness of the RTA's role and improve the accessibility of RTA services and programs.

Key results

- Received 1,403 calls each working day or 352,103 calls for the year, up 0.4%.
- Answered 44.2% of calls immediately and 82.7% within two minutes, almost achieving target of 85.0%.
- Processed an average of 2,670 bond forms daily, or 670,150 for the year, down 3.7%.
- Processed 99.0% of Australia Post refunds within 15 minutes, exceeding target of 95.0%.
- Achieved a take up rate of e-Services of 1,747 agents, representing 61.0% of all bonds held compared to 59.2% last financial year.
- Received 19,628 requests for dispute resolution, up 1.8%.
- Finalised 91.8% of disputes within 28 days of receipt, exceeding target of 70.0%.
- Resolved 66.8% of disputes where parties participated in conciliation, exceeding target of 65.0%.
- Successfully resolved 96.1% of 523 cases investigated.

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An overview of client information, bond management, dispute resolution and compliance services provided by the RTA.

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An outline of the variety of channels the RTA uses to provide accessible services across Queensland.

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A highlight of how the RTA continues to meet and exceed the service delivery expectations of clients.

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Our Clients - Client information

Our services

Despite a continuing high demand for client services, RTA staff remain committed to providing consistently high quality information and support services to our clients.

Delivering accurate information

The RTA Client Contact Centre is an integral part of the RTA's client service frontline, responding to an average of 1,403 calls each working day in 2009/10 (1,392 daily in 2008/09). With a thorough knowledge of Queensland tenancy law, staff provide accurate and helpful information to clients.

As growth of the state's residential rental sector continues, the demand for RTA services remains high. Client Contact Centre enquiries increased 0.4% in 2009/10 to 352,103 calls (compared to 350,713 in 2008/09).

The most common type of call continues to be related to rental bonds, accounting for 44.7% of all calls (61.8% in 2008/09). The proportion of bond queries reduced due to a new method of recording introduced during the year which resulted in more accurate call logging. Other common enquiries from our clients relate to rent increases, rules of entry, home maintenance issues and the breaking of tenancy agreements.

The Client Contact Centre maintained high service quality standards, with 44.2% of all telephone calls answered immediately (target 50%) and 82.7% within two minutes (target 85%). The average waiting time for callers to the RTA was 63 seconds in 2009/10, showing an increase compared with the previous year (53 seconds). The three busiest months recording the highest daily averages in 2010 were January (1,529), February (1,651) and March (1,510).

Average talk time for callers to the RTA in 2009/10 was 217 seconds compared to 212 seconds in 2008/09. The increase is due largely to increased content complexity of telephone calls to the RTA.

There were 5,250 online enquiries about bond and tenancy related matters received during 2009/10 (averaging around 21 per day). This was a significant increase in enquiries compared to the 2008/09 total of 3,780 (around 15 per day). In 2009/10, 87.4% of enquiries were answered within two workings days.

Consistency and quality of information is a constant focus for the RTA. The RTA's Monitoring for Quality project is used to safeguard the organisation's high service standards. The Client Contact Centre Skills, Performance, Expertise, Attitude, Knowledge (SPEAK) program, provides a

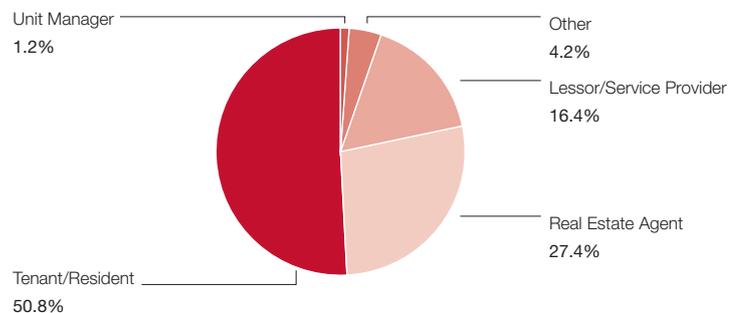
framework for ongoing improvement and has been enhanced by the installation of call recording software.

A roll-out plan has commenced for staff to familiarise themselves with the system and it is expected to reap benefits in the new financial year.

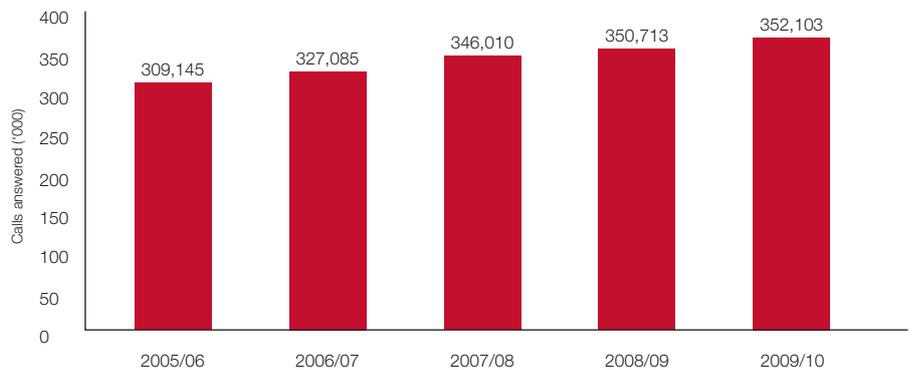
Contact Centre Performance	
Friday, 11 June 2010	
Calls Offered	1467
Calls Answered	1401
% answered immediately	57.10%
% answered within 2 minutes	95.50%

An example of a daily performance summary for the Contact Centre.

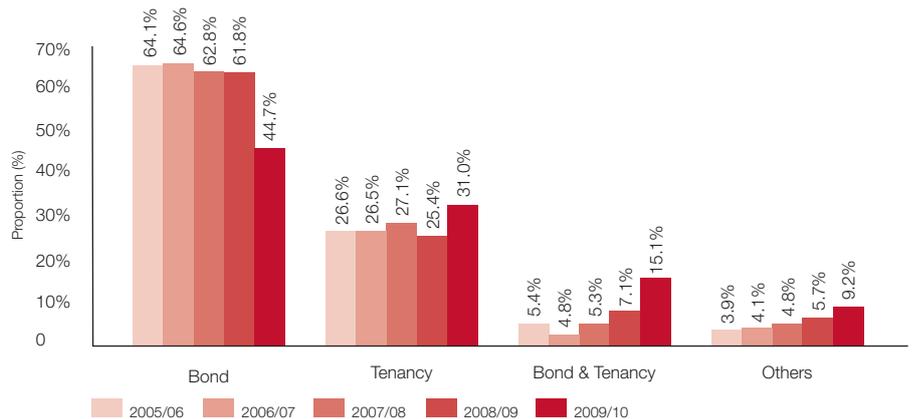
Client Contact Centre - calls logged by client type - 2009/10



Calls answered by the Client Contact Centre - 2005/06 to 2009/10



Types of calls logged - 2005/06 to 2009/10



Our Clients - Rental bond management

Rental bond management

The management of rental bonds is one of the RTA's core client service functions with 2,670 bond forms processed daily (compared to 2,763 daily in 2008/09).

In 2009/10, the RTA processed 670,150 bond forms comprising 321,963 bond lodgement forms (353,224 in 2008/09) and 348,187 bond refund/change bond forms (342,966 in 2008/09).

The peak months for bond administration services were from December 2009 to March 2010 when there was an average of 2,834 bond forms processed daily with a maximum daily average of 3,170 forms processed in February 2010.

Bond lodgements

New bonds lodged rose from 241,835 in 2008/09 to 245,080 this year, illustrating the ongoing growth of the state's rental sector. In monetary terms, average daily figures grew in 2009/10 to \$1,264,000 in bond lodgements compared to \$1,250,000 in 2008/09. The stability of rent levels in Queensland reflected the changing economic conditions and led to a decreasing number of bond top-ups throughout the 2009/10 year, and hence a decrease in bond lodgement forms.

In order to maintain a high level of client service, bond management initiatives continued to be developed throughout 2009/10. These initiatives aim to monitor and improve the accuracy of information transferred between property managers and the RTA. The RTA is also continuing to investigate methods to further streamline bond transactions.

Bond refunds

Demand for bond refund services grew during the year with an average 917 bond refunds finalised daily (887 in 2008/09), as the average daily value of refunds increased to \$1,125,000 in 2009/10 from \$1,022,000 in 2008/09. Of all bonds refunded, 71.2% were agreed to be paid by the parties, and of the remaining 28.8%, 86.1% were finalised after a *Notice of Claim* was issued and not disputed. In total, 71.4% of bond monies were returned to tenants (72.3% in 2008/09).

The RTA's online bond management service, e-Services, provides agents with the option to process a refund where they direct 100% of the bond to be paid to the tenant. In 2009/10, 9,840 refunds were processed through e-Services (7,625 in 2008/09) representing 3.4% of refunds processed (2.7% in 2008/09).

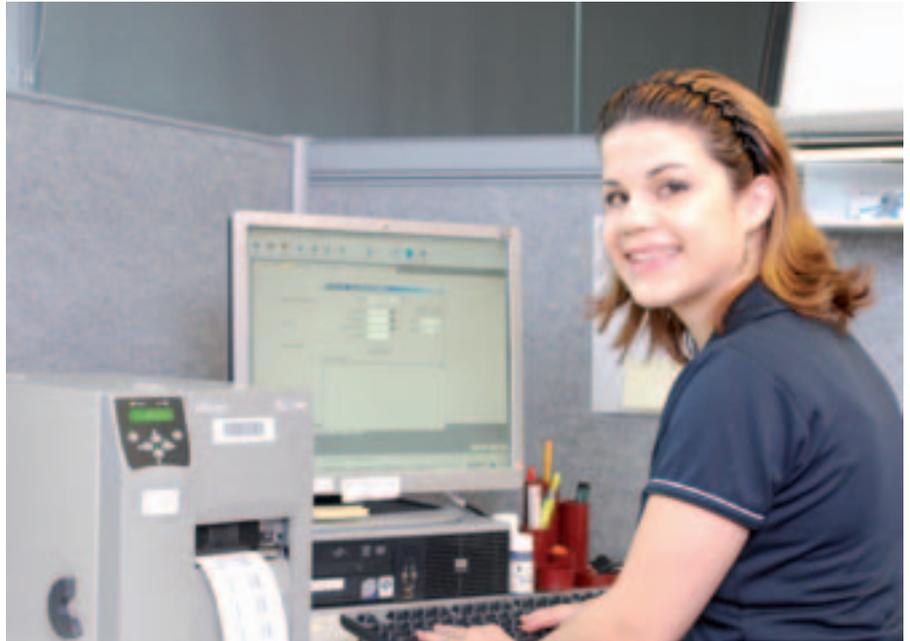
In 2009/10, the RTA processed 99.0% of Australia Post refunds within 15 minutes, exceeding the target of 95.0% (97.8% in 2008/09). The proportion of non-Australia

Post refunds (via mail or direct credit) processed within two working days totalled 93.9% for the year, exceeding the target of 85.0% (87.2% in 2008/09).

The RTA continues to encourage its clients to use direct credit for bond refunds, with 51.6% of all transactions processed by this method compared to 50.9% in 2008/09.

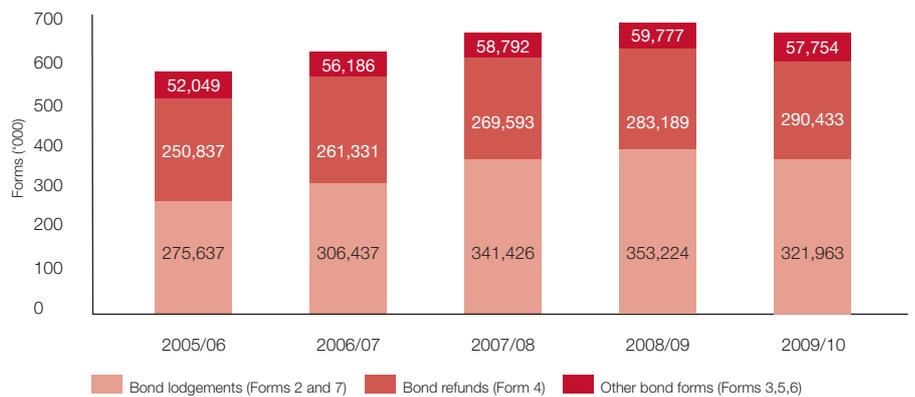
The direct credit refund method continues to grow in popularity amongst self-managing lessors, with 71.0% of refunds paid to lessors via direct credit against 68.5% the previous year.

The adoption rate for tenants using the direct credit method also increased slightly from 34.9% to 35.2%.

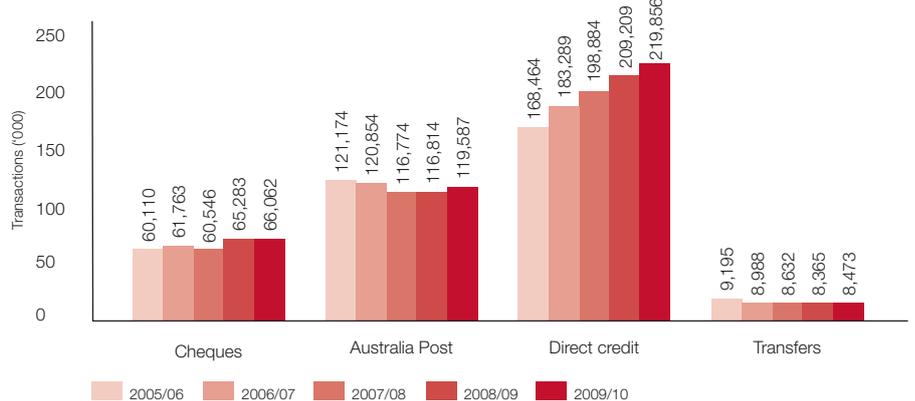


Lisa Verall, Administration Officer, processing bond lodgements.

Forms received for bond processing - 2005/06 to 2009/10

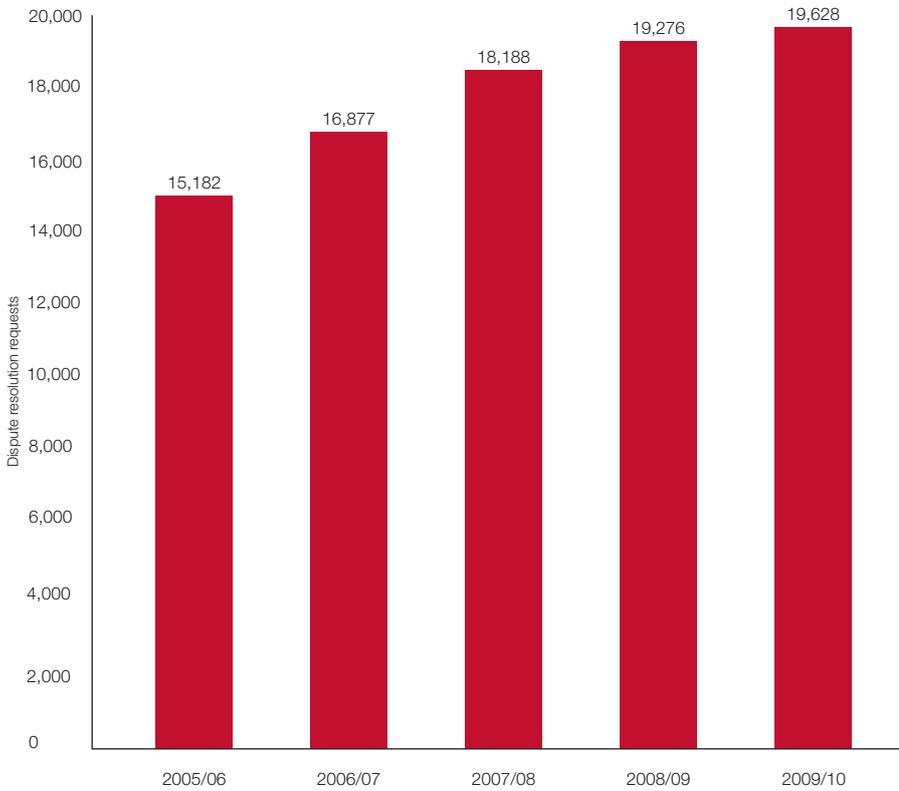


Bond refund transactions by refund option - 2005/06 to 2009/10

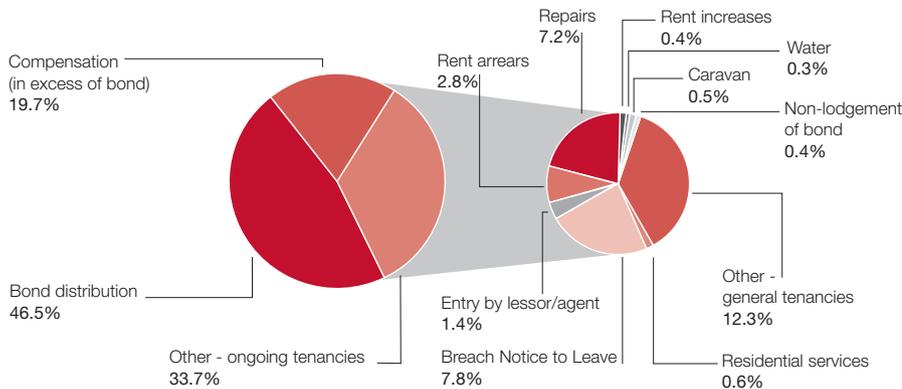


Dispute resolution

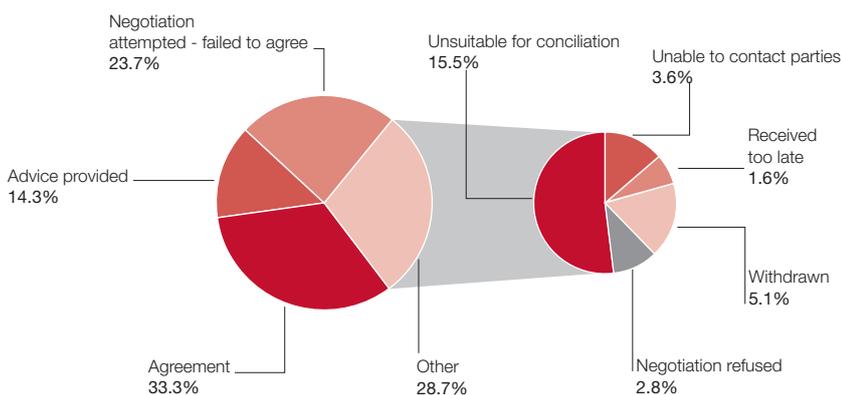
Dispute resolution requests received - 2005/06 to 2009/10



Reasons for disputes - 2005/06 to 2009/10



Results of dispute resolution requests processed - 2009/10



Resolving tenancy disputes

The RTA's Dispute Resolution Service is free for all clients involved in disputes under the *Residential Tenancies and Rooming Accommodation Act 2008*. RTA conciliators primarily use telephone shuttle negotiation and telephone conferencing to assist parties reach an agreement. However, face to face meetings are also 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 2009/10, the RTA continued to experience a small increase in the number of dispute resolution requests received with a total of 19,628 requests compared with 19,276 in 2008/09 (up 1.8%).

The increase in disputes received by the RTA maybe the result of a number of ongoing interrelated factors, including additional rights and responsibilities for all parties under the Act, economic factors, a tight Queensland rental market and an increase in the number of people renting.

Reasons for disputes

A tenancy dispute can occur during or at the end of a tenancy. Disputes at the end of a tenancy occur for a variety of reasons, including disagreements about the cleaning of the residence or for outstanding rent payments. Disputes relating to the distribution of bond money at the end of a tenancy accounted for 46.5% of all disputes received this year.

The RTA also receives disputes involving claims for compensation in excess of the rental bond held for the rental premises, after the bond has been distributed (19.7%).

A significant proportion of disputes relate to ongoing tenancies accounting for 33.7 % of all disputes. The reasons for disputes during tenancies often relate to issues involving repairs and maintenance to premises, rental arrears and terminating a tenancy.

Our Clients - Dispute resolution/Compliance

Achieving positive outcomes

Disputes are generally resolved through either a three way telephone hook up with parties (telephone conferencing) or separate shuttle telephone negotiations. 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 at Queensland Civil and Administrative Tribunal (QCAT).

In 2009/10, the proportion of resolved disputes after parties participated in conciliation was 66.8% against a target of 65.0% with the RTA continuing to identify and analyse trends in the sector to better understand the nature of disputes.

The RTA finalised 91.8% of disputes within 28 days in 2009/10, against a target of 70.0%.

The RTA continued to work in partnership with the Australian Centre for Peace and Conflict Studies (ACPACS) in providing advanced skills training for conciliators to meet national training standards.

The RTA further improved operational efficiencies by optimising the availability of 12 sessional conciliators in regional Queensland and continued to review processes ensuring lodged disputes were within jurisdiction, suitable for conciliation and dealt with appropriately.

Collaborating with the Queensland Civil and Administrative Tribunal (QCAT)

On 1 December 2009 the Queensland Government merged 19 tribunals, including the Small Claims Tribunal which handled tenancy disputes, to form one single entity, the QCAT.

The RTA continued to work with QCAT to improve administrative coordination between agencies and to ensure an effective transition to the new tribunal.

The *Residential Tenancies and Rooming Accommodation Act 2008* provides a two-step process involving the RTA and QCAT.

The Act requires that a dispute resolution request must be lodged with the RTA for some categories of disputes such as bond refunds. QCAT considers applications where dispute resolution by the RTA is unsuccessful.

It also deals with applications for categories of disputes that can be made directly to QCAT, such as terminations of tenancies.

QCAT data shows only 15.5% of disputes finalised by the RTA in 2009/10 had a tribunal application, illustrating the important role the RTA's Dispute Resolution

Service plays in minimising cases proceeding to QCAT unnecessarily. Of the finalised disputes with a related tribunal application, 58.7% involved bonds, 27.1% involved compensation being sought in excess of the bond and 14.3% involved ongoing tenancies.

Types of investigations and prosecutions

The RTA promotes compliance with Queensland's tenancy laws by investigating alleged offences against the Act. Investigations are conducted impartially and in accordance with the principles of natural justice.

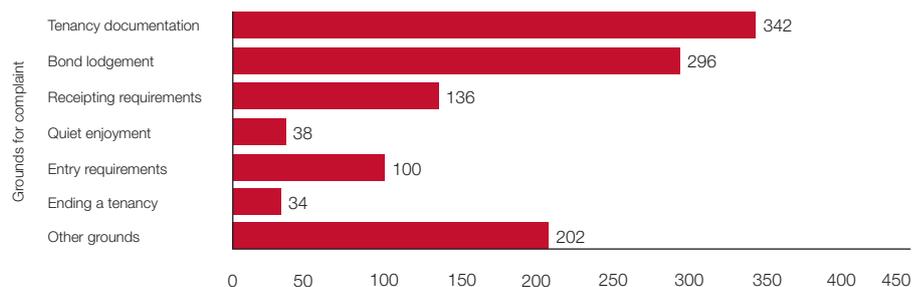
Most investigations are in response to complaints made by tenants, lessors or agents; however the RTA can also initiate investigations without a formal complaint.

The RTA will take the appropriate action to ensure future compliance, if an investigation indicates offences have been committed. In many instances the RTA will take steps to educate alleged offenders. However the RTA will prosecute alleged offenders if the offence is sufficiently serious, if they have failed to cooperate with the investigation, or if education has been given in the past and a further offence appears to have been committed.

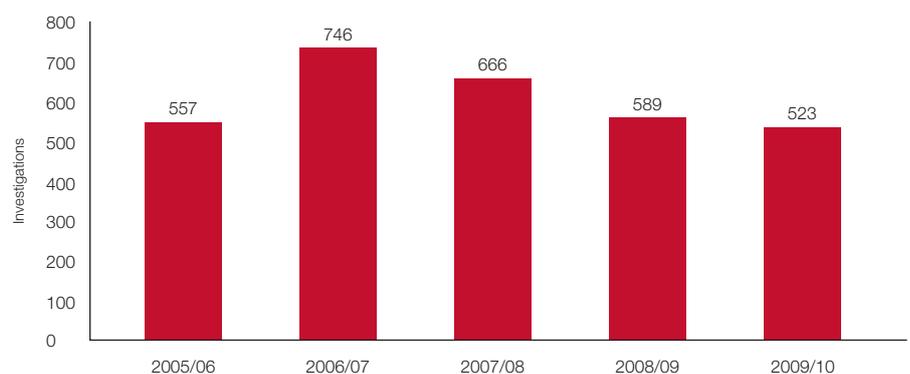
In 2009/10, the RTA conducted 523 investigations reflecting a continuing decrease in complaints received. Of the investigations carried out, 96.1% were successfully resolved and 96.2% were finalised within six months, exceeding the target of 90.0%.

There are 48 investigations where prosecution action is being undertaken.

Grounds for investigations of complaints regarding breaches of offence provisions - 2009/10



Investigations for non-compliance with Acts - 2005/06 to 2009/10



The RTA continued to work with QCAT to improve administrative coordination between agencies and to ensure an effective transition to the new tribunal.



Service channels

Providing accessible service options for clients

RTA staff provide a variety of channels for information and support services, allowing clients to choose the contact option best suiting their needs.

With a state-wide service delivery responsibility, the RTA is committed to maintaining client services in a variety of ways to ensure services are accessible for all client groups.

The RTA's Client Contact Centre is often the first point of contact. It can be reached from anywhere in Australia by calling 1300 366 311 for the cost of a local call. Clients can also choose to listen to a range of recorded messages or talk with a client services officer.

The full suite of RTA forms is available through a variety of channels including the RTA website or 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 stockholding arrangements with selected Australia Post outlets throughout Queensland.

The RTA's partnership with Australia Post provides a local agency network of 575 locations throughout Queensland, providing clients better access to forms and tenancy information.

The RTA's online bond management service, e-Services, continued to grow in popularity in 2009/10. Introduced in August 2007, this facility provides agents the convenience of viewing or downloading bond records and processing bond refunds where 100% of the bond is to be paid to the tenant.

By 30 June 2010 1,747 agents, representing 61.0% of all bonds held, were registered to use e-Services (59.2% in 2009). Of agents actively targeted to take up e-Services (those with 10 or more bonds), 49.0% are now registered (48.0% in 2009).

Design and development for the next phase of e-Services continued in 2009/10. This phase will enable agents to lodge bonds online, either in whole or in part, with functionality expected to be available towards the end of 2010.

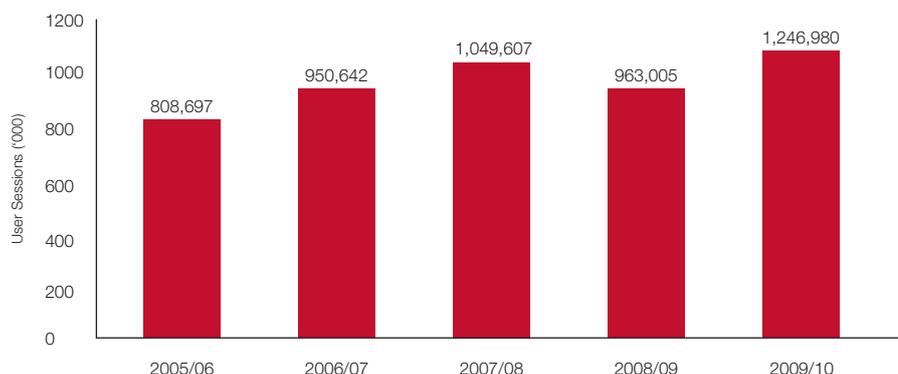
The RTA website (www.rta.qld.gov.au) is an essential information and educational resource for clients. In 2009/10, the website recorded 1,246,980 visits compared to 963,005 visits in 2008/09.

The increase is in part due to the RTA's continued promotion of the website as an important information resource.

The most frequently downloaded publication or form in 2009/10, was the *Entry Condition Report (Form 1a)* with 433,420 downloads.

In 2009/10, electronic communications such as e-Bulletins and the RTA's sector publication *Update*, were used increasingly to provide information to client groups such as tenants, agents and self-managing lessors on a number of topics including e-Services, the RTA's relocation to Turbot Street and the introduction and monitoring of the *Residential Tenancies and Rooming Accommodation Act 2008*.

Website user sessions - 2005/06 to 2009/10



RTA reception area.

Our Clients - Service channels

Improving access

The RTA continues to support diversity through its participation in the whole of government strategy, 'Multicultural Queensland – Making a World of Difference'.

The diversity of Queensland's population is growing. The RTA has developed a Multicultural Action Plan and reports annually to Multicultural Affairs Queensland on initiatives aimed at delivering culturally appropriate and responsive services to Queensland's diverse rental sector.

The Multicultural Action Plan aims to improve accessibility to tenancy information resources for the Culturally and Linguistically Diverse (CALD) community and RTA client services.

The Department of Immigration and Citizenship (DIAC) provides the Translating and Interpreter Service (TIS) for people who do not speak English and for the English speakers who need to communicate with them. This service has access to over 1,500 contracted interpreters across Australia, speaking more than 160 languages and dialects.

The RTA uses TIS to ensure that all clients who require an interpreter are able to access one for free, whether by phone or in person. Clients may call TIS directly and ask to speak to the RTA through their interpreter of choice or they may call the RTA and then seek an interpreter. The number of TIS calls has increased in the past three years as all RTA publications now include detailed bilingual information about TIS or the TIS logo and telephone number.

In 2009/10 there were 429 cases requiring translation compared with 433 requests in 2008/09. Korean was again the most requested language (102).

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The conciliation conference gives all parties involved the chance to express their views about the dispute, listen to each other and to attempt to settle a matter on their terms.

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Teleconferencing



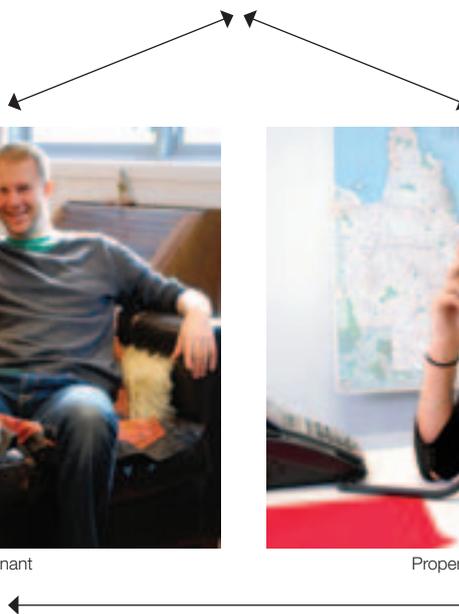
RTA Conciliator



Tenant

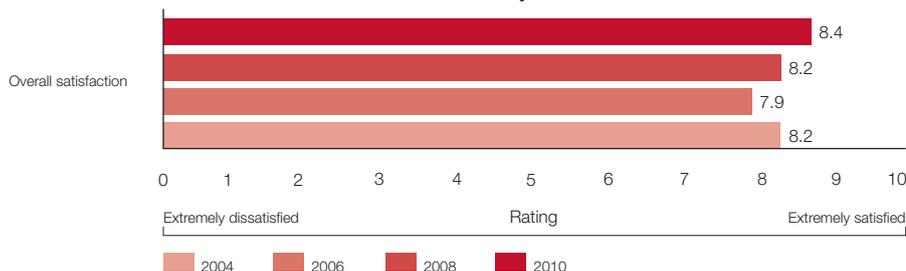


Property Manager

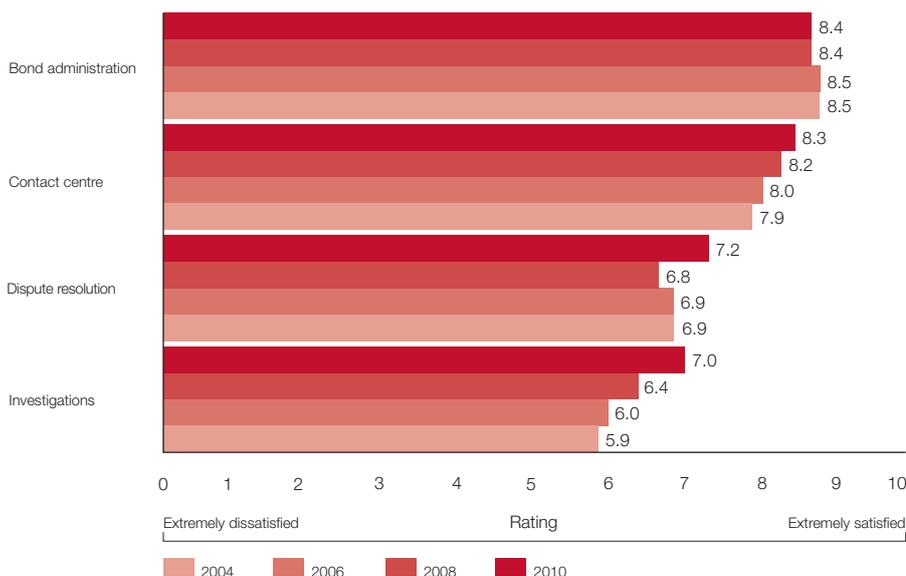


2010 Client Satisfaction Survey

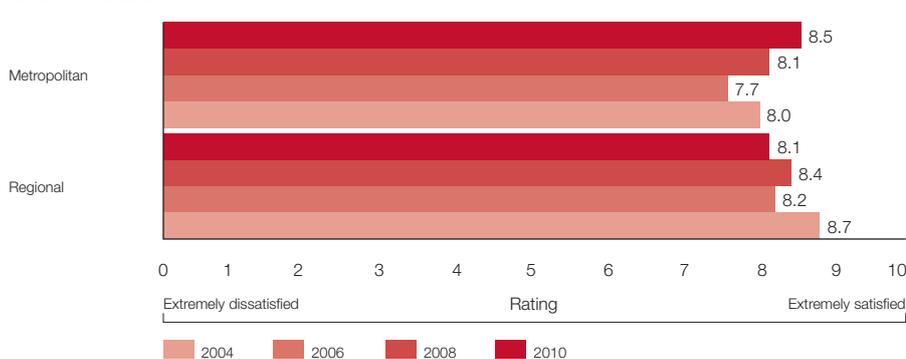
Overall satisfaction with RTA's service delivery



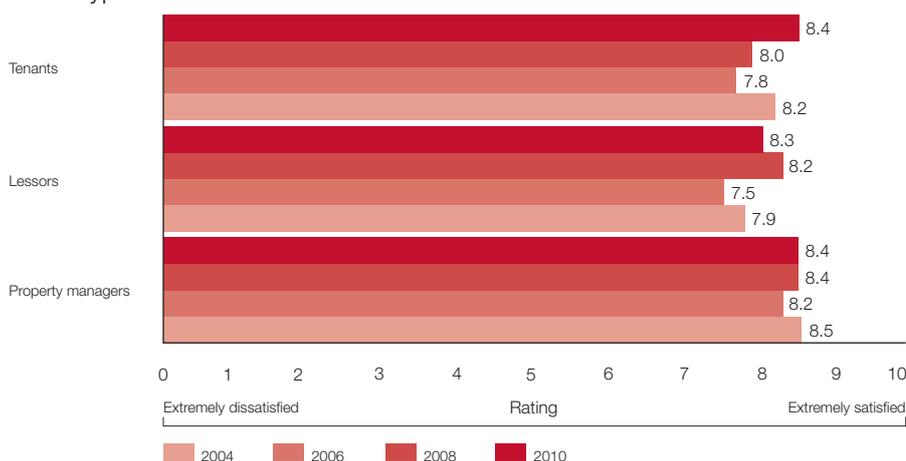
Service areas



Client location



Client type



2010 Client Satisfaction Survey

In early 2010, the RTA commissioned an external market research company to perform its fifth biennial client satisfaction survey. The survey involved telephone interviews with more than 300 tenants, lessors and real estate agents/property managers throughout Queensland. Respondents were interviewed regarding their experiences with the RTA's four key client service delivery areas – rental bond, contact centre, dispute resolution and investigation services.

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 8.4 out of 10. This score is better than previous results (8.2 in 2008 and 7.9 in 2006), with the proportion of clients who indicated they were extremely satisfied increasing slightly from the last survey (30.0 % in 2010 compared with 29.0% in 2008). In comparison to other industries, the RTA continues to perform strongly in overall customer satisfaction.

Although the differences between the client groups were not significant, property managers and tenants were, on the whole, the most satisfied client group, recording an overall satisfaction of 8.4, followed by lessors (8.3).

As well as rating their overall satisfaction with the RTA and each service delivery 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 benefits for clients. As with past surveys, in response to the results the RTA has developed an action plan with a number of key initiatives and mechanisms for tracking their progress. This will help the RTA to evaluate the impact on client satisfaction when the survey is next conducted in 2012.



Senior Research Officer, Jason King, presents survey results.

Our Clients - Case study

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The Act allows three courses of action when the tenant has informed the lessor or agent about the need for an emergency repair, and it is not carried out.

”



Future priorities - Our Clients

Key activities for 2010/11 are to:

- Review strategies for enhancing statewide client access to the RTA's services.
- Implement a Quality Monitoring and Recording System (call recording) to enhance high quality client contact service.
- Continue to communicate the benefits of e-Services to agents and promote direct credit as the preferred method of bond payment.
- Review the e-Services registration process with a view to streamlining the process.
- Implement phase two of the RTA's e-Services facility to provide agents with enhanced online bond management facilities such as lodgements.
- Systematically review RTA forms with a focus on usability and processing efficiencies.
- Continue to train conciliators to have the appropriate skills to meet national training standards.
- Continue to liaise with the Queensland Civil and Administrative Tribunal to improve service delivery to our mutual clients.
- Maintain a proactive approach to investigations, while continuing to investigate all complaints received within agreed performance indicators.

Case study - stove crisis.

Due to a lack of maintenance, a family of four was left without a stove despite repeated requests to have it repaired.

Having complained to the lessor when one of the elements was not working, the request was repeatedly ignored until finally all elements were broken and the tenant was unable to cook.

Under the *Residential Tenancies and Rooming Accommodation Act 2008*, the lessor is responsible for maintaining the premises in good repair ensuring the property is in a state fit for the tenant to live in.

The Act allows three courses of action when the tenant has informed the lessor or agent about the need for an emergency repair, and it is not carried out.

The first option allows the tenant to arrange the repairs to be carried out themselves and either have the work billed to the lessor or agent or alternatively, pay for the work and seek reimbursement provided the cost does not exceed the value of two weeks rent.

The second option allows the tenant to issue the lessor/agent with a *Notice to Remedy Breach* (Form 11) providing a minimum of seven days to rectify the matter. If the breach is not remedied within the designated timeframe, in certain circumstances the tenant may issue a *Notice of Intention to Leave* (Form 12).

The third option allows the tenant to lodge a *Dispute Resolution Request* (Form 16) with the RTA where a conciliator will try and mediate a successful outcome.

In cases where conciliation fails, a *Notice of Unresolved Dispute* will be issued allowing parties to proceed to the Queensland Civil and Administrative Tribunal (QCAT) and have the matter heard before an independent member who will make a legally binding determination.

Because the lessor had failed to comply with their maintenance obligation under the Act and as the repair was reasonably capable of being undertaken, the tenant could also apply directly to QCAT where an order can be made for the lessor to remedy the problem within a time frame decided by the tribunal.

In this case the tenant decided to bring the matter to the RTA's dispute resolution service where an RTA conciliator spoke to everyone concerned and by running through the rights and responsibilities of both parties, was able to reach an agreement.

The lessor admitted he was having problems on a personal front, and not wanting the tenants to leave, agreed to fix the stove.

The lessor apologised to the tenants and provided compensation for the inconvenience caused. The tenants accepted his apology, happy the matter was now resolved.



Our Sector

Enhancing our sector

The RTA works with a broad range of stakeholders to support a growing 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

- Monitored the first year's operation of the new *Residential Tenancies and Rooming Accommodation Act 2008*. No significant unintended consequences have emerged to date.
- Undertook national consultation on the model provisions to regulate tenancy databases, and prepared and submitted recommendations to the Ministerial Council for Consumer Affairs for future national regulation.
- Hosted the 8th Australasian Residential Tenancies Conference.
- Introduced infringement notices for specific offence provisions of the Act for more effective enforcement of the legislation.
- Distributed \$180,355 to 14 community organisations through the Community Education Public Grants Scheme for tenancy law education projects targeting specific groups.
- Improved regular communication with the sector through the introduction of electronic bulletins and the bimonthly online magazine *Update*.
- Celebrated the 10th anniversary of formal sector liaison through the Industry Development Forum.
- Supported the introduction of the Queensland Civil and Administrative Tribunal (QCAT) through \$35,000 in funding for the recording of reasons for decisions and regular liaison with key staff.

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Our Sector - Regulating the sector

A dynamic rental sector

Queensland has a strong rental sector which continues to increase in line with population growth.

In such a dynamic sector, it is essential that tenancy legislative and policy frameworks remain appropriate, 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 rental sector.

Regulating the sector

The RTA is responsible for ensuring that tenancy legislation supports government priorities, is effective and remains relevant to the sector.

This is achieved by reviewing and providing advice on the operation of the legislation 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 2009/10 was on implementing the *Residential Tenancies and Rooming Accommodation Act 2008*.

The Act amended and combined the provisions of the previous *Residential Tenancies Act 1994* and *Residential Services (Accommodation) Act 2002*, both of which were repealed on 1 July 2009.

While fundamental aspects of the new legislation remained unchanged, there were changes to processes such as notice periods and entry rules. New requirements and regulations were also introduced to address emerging issues.

Infringement notices were implemented for more effective enforcement of the legislation.

The RTA undertook an extensive review and updated all of its forms, print and electronic publications. A comprehensive information campaign comprising outreach events was continued into this financial year to ensure the sector was well informed. Despite the breadth of changes, the sector adapted to the new legislation requirements with minimal difficulties.

The RTA also continued to work with other government agencies to further strengthen legislative frameworks around rental arrangements and had input into reviews which impact on renting in Queensland.

The RTA was the lead agency in coordinating the national consultation



Minister for Community Services and Housing and Minister for Women, the Hon Karen Struthers MP.

process to seek community feedback on model tenancy database legislation.

The tenancy databases are privately operated databases of personal information used to screen prospective tenants for rental accommodation.

Queensland led the way in 2003 in reforming listing practices for tenancy databases and was the first state to regulate the use of personal information on these databases.

Under a national approach to regulation, all jurisdictions will have similar legislation, which will ensure all tenants have access to the same safeguards.

This complex policy project has involved negotiating with the Commonwealth and the other States and Territories to achieve consensus on feedback raised through the consultation process, and to agree on proposed model provisions to be applied across all Australian jurisdictions.

The RTA was the lead drafting instructor, working with the Office of the Queensland Parliamentary Counsel to draft the model provisions.

The work culminated in a final report and recommendations to the Ministerial Council for Consumer Affairs in June 2010.

Our Sector - Engaging with the sector

Responding to sector issues

Best practice requires the government and 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 on tenancy law and related issues. During the year, the RTA:

- prepared information for 58 replies to Ministerial correspondence
- provided 18 briefing notes and 19 submissions about emerging tenancy law and related issues
- responded to 20 requests for other information.

The RTA also coordinated research and briefing papers for the Board and Minister on key legislative and other policy issues, and reviewed relevant cabinet submissions generated by other agencies about matters that might affect the sector.

Engaging with our sector

The RTA supports the Queensland Government's community engagement strategy, and aims to work collaboratively with stakeholders. Interaction with 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 gives them an opportunity to raise industry issues or views for open debate or clarification. This year was the 10th anniversary of the forum's establishment.

In 2009/10 topics discussed at the Forum included:

- the development and implementation of QCAT including attendance at the forum by the President, Justice Alan Wilson and Deputy President, Judge Fleur Kingham
- briefings on developments in uniform legislation for tenancy databases for which Queensland had the lead role
- feedback on the implementation of the *Residential Tenancies and Rooming Accommodation Act 2008*
- an overview of implementation plans for new legislation by other government agencies, such as changes to swimming pool fencing requirements and identifying opportunities where the RTA could support sector initiatives.

From 9 to 11 September 2009 the RTA hosted the 8th Biennial Australasian Residential Tenancies Conference, which



Celebrating ten years of the Industry Development Forum.

“

The RTA values 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 swimming pool fencing legislation.

”

was attended by about 240 representatives from around Australia and New Zealand. The Conference considered emerging issues in the residential rental sector and provided unique opportunities for networking in this specialised field.

The conference theme “Rental Realities - Under the Spotlight” explored the challenges currently facing the residential tenancies sector in Australasia, and discussed new ideas and approaches. The feedback from participants was extremely positive (see pg 7).

On 4 December 2009, the RTA hosted a cocktail function for stakeholders and long serving staff to celebrate the 20th anniversary of the establishment of the RTA as the Rental Bond Authority on 1 December 1989.

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 values the opportunity to have input into reform groups such as the review of neighbourly relations, and swimming pool fencing legislation.

The RTA enjoys a strong partnership with the Department of Communities, meeting regularly to liaise about issues and initiatives affecting the residential rental sector such as the provision of affordable housing and tenancy support programs.

On 1 December 2009, QCAT was established to replace a range of smaller tribunals, including the Small Claims Tribunal, which had dealt with tenancy disputes.

Throughout 2009/10, the RTA regularly liaised with the Deputy President and senior representatives of QCAT supporting the implementation of the new tribunal arrangements. The RTA provided a \$35,000 grant to support the introduction of recording reasons for decisions.

Supporting the sector

Supporting the 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 2009/10 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. The RTA's median weekly rent data is prepared on a quarterly basis and is often cited in media reports on the current state of the Queensland rental market.

The RTA uses regular analysis of client contacts such as client enquiries, types of dispute resolution requests and tribunal orders to monitor the operation of the Act and inform its policy advice. The RTA also analyses operational data and monitors emerging trends in the rental sector to identify target areas for community education activities.

In 2009/10, the RTA responded to more than 230 requests for rental market data and other statistical information from various government agencies, stakeholders and the community. This represents a slight decrease in requests from 2008/09. While the number of requests has decreased, data requests are becoming increasingly complex. This pattern may reflect that simpler queries can now be answered through the use of data provided online on the RTA's website.

Providing ongoing community education and support

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

- delivery of an outreach program of information sessions and information displays
- production and distribution of targeted information resources
- support of community organisations by providing funding for tenancy education through a small grants program
- development of strategic partnerships with key industry stakeholders.

This year's community education focused on providing information and education to members of the rental sector to consolidate awareness of changes in the rules for renting due to the introduction of the *Residential Tenancies and Rooming Accommodation Act 2008*.



Senior Community Education Officer, Lynn Smith presents at a RTA workshop.



RTA display at the Brisbane RNA show provides community education on rules for renting in Queensland.

RTA staff also carried out community education in regional areas including Mackay, Rockhampton, Townsville and Cairns and in several Brisbane locations, where they delivered information sessions and provided educational support to tenancy workers from community organisations and service providers.

The RTA provided information for the general public at its display at Brisbane's RNA Show (Ekka) and for targeted groups at events such as the Brisbane City Council

International Student Civic reception, the Education Queensland Post School Options Expo, the Queensland Multicultural Festival and the Aboriginal and Torres Strait Islander NAIDOC Family Fun Day.

Our Sector - Supporting the sector

Targeted education activities

The RTA undertakes targeted education initiatives to a range of groups.

This year the RTA again worked with Mr David Lin of Davellin Lawyers to support the presentation of information about the new Act in Chinese to an audience of lessors, property managers and tenants at Sunnybank in Brisbane. The RTA also provides its key fact sheet '*Renting in Queensland*' in 11 community languages.

There were also initiatives targeting tertiary students including:

- providing resources to student accommodation officers at several Queensland universities
- provided copies of the translated *Renting in Queensland* fact sheet for international student officers around Queensland
- attending Queensland University of Technology's Course and Careers Day
- meeting with student accommodation providers to the University of Queensland to support their understanding of the Act and discuss current issues.

Community education grants

The annual Community Education Public Grants Scheme continues to be an effective educational strategy for the RTA. The scheme aims to promote a better understanding of the rules for renting in Queensland by funding non-profit community organisations to deliver tenancy information to their clients.

The RTA received 37 applications and 14 projects were allocated funding totalling more than \$180,000.

The projects funded for the 2009/10 grants scheme were spread across the range of RTA priority target audiences. Of the 14 projects, three targeted Aboriginal and Torres Strait Islander groups, two were aimed at culturally and linguistically diverse audiences, four targeted young people, one was aimed at people with a disability and one targeted tenants in rooming accommodation.

The proposed projects also achieve a geographic spread throughout the state with projects in Far North Queensland, Wide Bay Burnett, Brisbane and the Gold Coast.

Funding tenant advice services

The RTA supports tenants by funding a community based tenant advice service provided by not for profit organisations. This year, the RTA provided \$3.44 million in funding to the Department of Communities for the Tenant Advice and Advocacy Service (Queensland), which provides information, advice and advocacy assistance using a case management approach through 29 community based services throughout Queensland.

During 2009/10, the RTA also funded the Tenants' Union of Queensland with a grant of \$243,500 for work it undertook as a peak advisory body providing tenancy law reform policy advice.



RTA meets regularly with stakeholders.

Working with the sector

Working with our sector

The RTA's vision of 'Working together to support and enhance an evolving rental sector' is achieved through the range of its activities and relationships.

The RTA works with clients, key stakeholder groups and the Queensland Government to provide legislation and policy advice based on regular 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 on the right. 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 consultation 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 providers.

Surrounding this core is a network of key stakeholders including the State 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 developments in the sector.

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:

- Tenants' Union of Queensland
- Australian Resident Accommodation Managers Association (Queensland)
- Real Estate Institute of Queensland
- Tenant Advice and Advocacy Service (Queensland)
- Caravan and Manufactured Home Residents Association
- Caravan Parks Association of Queensland
- Property Owners Association of Queensland
- Queensland Shelter
- 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 Queensland Civil and Administrative Tribunal.



The RTA presents free workshops for lessors and industry representatives throughout Queensland.

Our Sector - Case study

“

The RTA is always pleased to work with community groups to promote Queensland tenancy law and especially to those who may otherwise find it difficult to receive information through traditional means.

”

Future priorities - Our Sector

The RTA will continue to collaborate with 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 2010/11 are to:

- Monitor the operation of the *Residential Tenancies and Rooming Accommodation Act 2008* and the *Residential Tenancies and Rooming Accommodation Regulation 2009* and identify any unintended consequences or areas of concern.
- Finalise and implement any recommendations on the national tenancy database uniform law project agreed to by the Australian Ministerial Council of Consumer Affairs Ministers.
- Liaise with senior officers of the Queensland Civil and Administrative Tribunal.
- Provide ongoing policy advice on key issues to the Board and Minister.
- Continue to provide funding to the Department of Communities for the Tenant Advice and Advocacy Service (Queensland) program to provide community based tenancy information, advice and advocacy assistance in 29 locations around Queensland.



Senior Community Education Officer, Tamara Scharneck reviews education material developed by the Multicultural Development Association.

Case study - Successful grants project

Through the RTA's Community Education Public Grants Scheme, the Multicultural Development Association (MDA) was funded to provide a range of long and short term strategies for providing information and education to newly arrived refugees and migrants.

The project focused on the importance of completing the entry and exit condition reports.

A picture dictionary and set of flash cards were developed as a way to break through cultural and language difficulties.

Drawing on the services of MDA volunteers, community leaders and cultural support workers, each member was trained on using the resource. They then delivered the program to a range of refugee groups such as people from Burundi.

Located in Central Eastern Africa, Burundi is listed amongst the ten poorest countries in the world. Many Burundi people are not literate in their own language, due to low school attendance.

Approximately 80% of the Burundi population live in poverty and the ongoing effects of a civil war has resulted in many people becoming refugees.

Because of low literacy rates, the dictionary and flash cards are an effective tool in explaining that not only do these new residents have obligations under Queensland tenancy law, they have rights as well.

For most of these immigrants it was the first time they had signed a lease, but with the help of the flash cards and dictionary sessions, they had accessible information to explain why they should complete entry and exit condition reports and how they could get their rental bond back if they looked after their rented accommodation.

The picture dictionary and flash cards have since been provided to workers from agencies working with other refugees and are available on the MDA's website for use by other agencies.



Our Organisation

Supporting our organisation

As the Queensland rental sector continues to grow, RTA staff continue to provide quality client services. This is facilitated by best practice and efficient organisational processes in a positive and healthy work environment.

Objectives

Our people

Build a high performing organisation based on a foundation of leadership, collaboration, planning and communication.

Our environment

Support whole-of-government initiatives for environmental sustainability.

Our business operations

Identify and implement sustainable improvements in RTA's corporate governance standards, systems and processes to support business outcomes, add value and deliver measurable benefits.

Our finances

Maintain financial accountability, sustainability and integrity.

Key results

- The biennial Workforce Attitude Survey was conducted and team action plans developed to address key issues identified.
- The RTA successfully relocated to new premises and as part of this process the network infrastructure and systems services were upgraded.
- The Intranet was re-developed to provide staff with easy access to pertinent information including standard response scripts and information about staff services.
- The triennial external quality audit recertified that the RTA meets best practice quality standards and has strong internal review processes, with staff committed to high quality service delivery.
- The off-site network and business systems backup facilities were successfully tested demonstrating that the RTA can provide timely recovery of business critical systems should core components become unavailable.
- Policies and administrative processes were developed to comply with new legislation on privacy and handling of personal information and staff were trained on the State Government's Right to Information reform.
- A Portfolio Project Management function was established and appropriate policies and processes were developed to better manage RTA business initiatives.
- Careful management of its investment portfolio has allowed the RTA to re-establish its investment reserves to pre Global Financial Crisis levels.

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Our Organisation - Our people

Our people

The RTA is proud of the professionalism, dedication and enthusiasm of its staff, who continue to embrace a culture of quality client service.

Workforce profile

In response to increased client service demands and corporate governance requirements, the number of full time equivalent staff (FTE) including contract staff increased from 166.6 in 2008/09, to 176.9 in 2009/10.

The RTA continues to maintain a direct client service focus, with 74.8% of all RTA staff occupying client service positions (74.9% in 2008/09). The RTA's remaining staff are dedicated to undertaking necessary corporate support, policy, sector engagement and business management roles.

The RTA's high staff retention levels have continued, with 51 employees at 30 June 2010 achieving more than ten years of service at the RTA, representing 28.0% of the RTA workforce. Of these, 26 employees achieved 15 or more years of service and six reached 20 years of service.

Workforce and industrial relations

To ensure staff continue to maintain salary and working conditions in line with Queensland Public Service departments, the RTA will become a signatory to the State Government Departments Certified Agreement 2009 which is due to be certified in the second half of 2010.

Workforce action planning

In February 2010, all RTA staff were given the opportunity to participate in a Workforce Attitude Survey, which achieved a response rate of 85.0%. The survey collected staff views about their work and experiences at the RTA. This was the second time this particular survey had been conducted. The repeated high level of engagement in the survey process is a positive sign that staff feel confident in the survey process and view the provision of their feedback as being worthwhile.

Work effectiveness measures indicated that teamwork, client understanding, service provision, knowledge sharing with co-workers, knowledge sharing with team leaders, as well as contribution to the organisation, are defining characteristics for the RTA.

Survey results were presented to all teams in May with each team developing their own action plans. Throughout 2010/11, all teams will work to progress their identified actions enabling the RTA to appropriately respond to staff needs and assist with business planning.

Work, family and lifestyle

The RTA maintained its commitment to providing a workplace enabling staff to balance work, family and lifestyle. This commitment was demonstrated by the overall rating of 3.6 out of 5 for work/life balance achieved in the recent Workforce Attitude Survey.

There are a range of options the RTA provides for staff to ensure a balanced work/life environment including accumulated time off, variable working hours, compassionate and bereavement leave, leave without pay, long service leave at half pay, family leave as well as 14 weeks paid parental leave. This year, 13.7% (25 staff) were engaged in part time work.

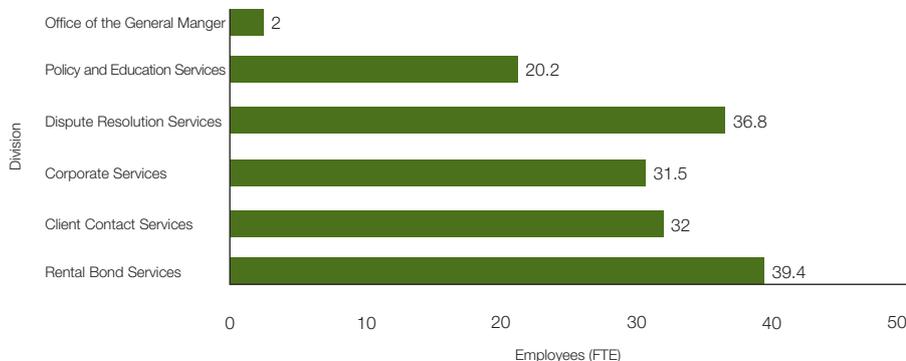
The RTA also continues to provide an Employee Assistance Program enabling staff and their families to access up to ten free counselling sessions per year.

Building skills and knowledge

The RTA provides staff with the opportunity to undertake the Utilise Legislation course - an accredited short course in tenancy law under a co-provider agreement with TAFE Open Learning. This course has been through a review process following the introduction of the *Residential Tenancies and Rooming Accommodation Act 2008*, and the updated program was first presented in June 2010.

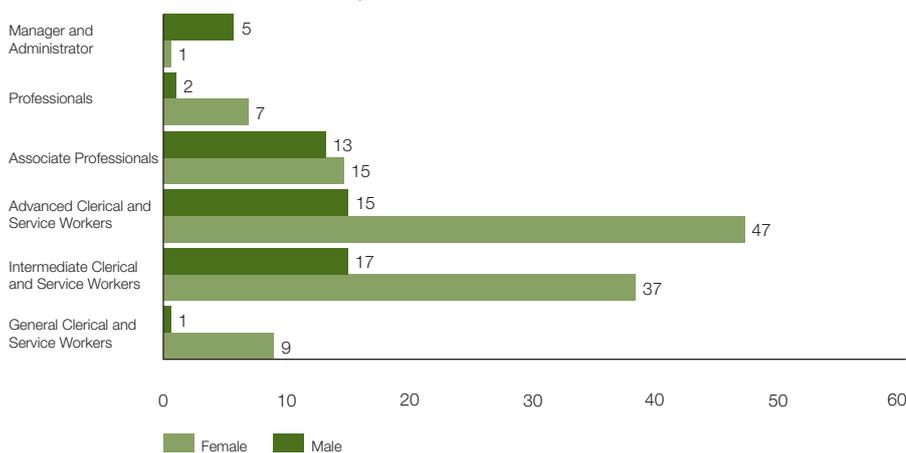
In 2009/10, new staff participated in information sessions on Understanding Anti-Discrimination Law and the RTA's Code of Conduct. These sessions continue to be an effective way of conveying essential information to staff and will be complemented by online refresher training for all staff in every second year of their employment.

Employee (FTE) by division as at 30 June 2010



Note: This graph does not include contract staff.

Employee by occupation and gender as at 30 June 2010



Note: This graph does not include contract staff.

Our Organisation - Our people



RTA promotes water saving devices.

In consultation with team leaders, two training calendars for 2009/10 were created and published in July 2009, and January 2010. Project management, change management and coaching and mentoring skills emerged as the most common learning needs.

Fostering reward and recognition

The RTA's annual Reward and Recognition program continues to be a successful means through which outstanding performance of individuals and teams can be recognised.

In 2009, the high standard of nominations continued across all three categories of Excellence in Job Performance, Above and Beyond the Call of Duty and Project/ Team Work Resulting in Excellence in Customer Service. Both staff and managers actively contributed to the nominations received.

The recognition of long serving employees in 2009 reached a significant milestone with four employees involved with the commencement of the RTA's predecessor, the Rental Bond Authority, being the first to reach 20 years of continuous service. The annual presentation was held in December 2009 and recognised employees reaching 10, 15 and 20 year milestones.

Equity in our workplace

The RTA's Equity Committee provides advice, assistance, direction and support for the internal equal employment opportunity (EEO) planning and implementation process within the RTA. The committee organised several events throughout 2009/10 including supporting White Ribbon Day, Movember and sponsoring eight staff to attend the UNIFEM International Women's Day breakfast.

UNIFEM is the United Nations development fund for women promoting human rights, political participation and economic security. Staff support for these events was strong.

Maintaining a safe workplace

The RTA continued to maintain its high standard of workplace health and safety in 2009/10 with the frequency rate remaining at a very low level. There were an average of 0.98 incidents for every 10,000 hours worked.

Prior to moving to new premises on Level 23, 179 Turbot Street, Brisbane, a workplace health and safety assessment was conducted of all four floors of the new offices, including an assessment of

furniture and workstation layouts. After the relocation was complete, more detailed and personalised ergonomic assessments were carried out at every workstation making adjustments to meet individual staff requirements to ensure the workplace was safe. This contributed to improved staff posture at their workstations.

With additional space now available in its new location, the RTA has an improved, spacious and fully equipped first aid room. Additional workplace health and safety representatives and first aid officers have been trained to provide full coverage across the RTA's four floors. In addition, refresher training in first aid, resuscitation and safety was conducted for existing officers.

The RTA Workplace Health and Safety Committee met every two months, continuing to ensure the safety of the RTA working environment. Minutes of these meetings are posted on the RTA Intranet ensuring staff are kept informed of safety matters. Induction training on workplace health and safety is mandatory for all staff on their commencement at the RTA.

The RTA supported staff returning to the workforce after illness or injury by providing a rehabilitation program.

Staff are supported in their return to work by trained RTA rehabilitation officers who work closely with them, their team leader and their medical practitioner.

The RTA completed the development of its Pandemic Management Plan which provides a detailed guide for the RTA's response to an influenza pandemic threat.

The plan aims to reduce the impact of an influenza pandemic on RTA employees and to facilitate the effective management of critical business functions during each phase.

Influenza vaccinations were again offered to all RTA staff prior to the onset of winter, with 70 staff (38%) participating in the program.

Maintaining a healthy workplace

The RTA continues to partner with Peak Health Management in providing a wellness program to all staff. The program included an extensive range of health and fitness related information, as well as offering a monthly health activity or seminar.

RTA staff continue to consistently rate this program as being of real benefit to them and encouraging them to make lifestyle changes.

Events for staff in 2009/10 included a workshop on zinc screenings, flu vaccinations, gender health month and heart health screenings.

Our people

Communicating with our staff

The proactive use of formal and informal communications such as meetings, committees, Intranet, emails and a number of other communication strategies, ensures the RTA continues to develop and enhance communication and feedback mechanisms across the organisation.

This was especially pertinent in 2009/10 with the organisation's expansion and relocation to larger premises due to increasing demand for RTA services.

Internal communication strategies such as the creation of a relocation workgroup were used to inform staff on the progress of relocation plans and to assist with the transition to the new offices.

In a first for the organisation, a video diary was used to ensure staff could become familiar with the new offices and to educate staff in the use of new technology such as 'smart' lifts and security protocol.

Regular team and management meetings continued to be held across the organisation as a way of communicating effectively with staff. There are also monthly Workgroup Committee meetings which include representatives from staff and management to address workplace issues and coordinate social activities.

The RTA's internal monthly newsletter *Open House*, keeps staff informed on a wide range of issues including Code of Conduct updates, training opportunities, computer software information and safety procedures.

Open House also provides the platform for staff to receive information on social events, health and fitness and environmental practices.

For staff on extended leave either through illness, secondment or maternity leave, a 'keeping in touch' kit containing *Open House*, 'all staff' emails and other relevant internal documentation continues to be mailed each month ensuring staff are kept informed with all relevant workplace practices and issues to assist with their return to work.

Supporting community projects

In 2009/10, a variety of charitable causes were supported by the RTA and its staff.

Each week staff continue to support the Ecumenical Coffee Brigade and the Brisbane Youth Service through weekly cash donations in return for wearing casual clothes on Fridays.

At the end of 2009, staff nominated to donate one week's Friday collection to the Red Cross for victims of the natural disasters in Samoa and Indonesia.



RTA HR consultant Kathleen Wilson, with Harmony Day speaker Rajabu Rashid.

Staff donated unwanted books to the Ecumenical Coffee Brigade book drive and supported a clothing and accessories drive for the Brisbane Youth Service to provide disadvantaged youth with appropriate items to attend interviews such as handbags, backpacks, clothing and toiletries.

Men's health issues were highlighted through staff participation in Movember. Staff also participated in the Cancer Council's Biggest Morning Tea.

Staff responded generously at Christmas with donations to both the Smith Family Toy and Book Appeal and the RSPCA Christmas Appeal.

Savings made from producing the RTA corporate Christmas card electronically were again donated to the Ecumenical Coffee Brigade and Brisbane Youth Service in 2009.

Supporting a positive RTA culture

The RTA continues to foster a positive organisational environment. In addition to social activities held at a team level, a variety of RTA wide activities were held encouraging interaction between staff from different teams.

The RTA staff social club organised a number of events including:

- family fun day
- Christmas function
- ten pin bowling function
- soup day
- warehouse shopping tour
- trivia night
- welcome to 179 Turbot Street celebration on the 'new' balcony
- Easter BBQ
- Mother's Day luncheon.

The culture of the RTA is also supported by other Social Club initiatives including a book club, fundraising chocolate sales, raffles and casual dress Fridays.

In 2009, the Social Club appointed a new chairperson and several new committee members. The Social Club surveyed staff seeking suggestions and feedback on social functions, with the aim of ensuring staff continue to enjoy and contribute to a well-rounded social calendar.

Our Organisation - Our environment

Our environment

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

The RTA is proud of its efforts to achieve environmental sustainability and when moving from the Herschel Street premises, placed importance on finding a suitable location with environmental benefits.

The new offices located in Turbot Street, Brisbane are in one of a few office buildings in the city to have achieved a Five Star Green Star accreditation.

RTA environmental sustainability initiatives include:

- **Moving to 179 Turbot Street** - The building meets the RTA's environmental requirements by:
 - * **being Five Star Green Star accredited.** An environmental rating system applied to design and construction highlighting how 'green' a building is, with six stars being the highest possible rating
 - * **utilising air conditioning condensation.** Water condensation from air conditioning units at 179 Turbot Street is fed back into the main water storage tank for re-use
 - * **reusing fire sprinkler test water.** Water generated from the testing of fire sprinklers is also fed into the main water storage tank
 - * **collecting rainwater.** Rainwater is collected and stored in an internal storage tank
 - * **harvesting water.** A 100,000 litre water tank has been installed with 10,000 litres being used for irrigation purposes and 90,000 litres for the flushing of toilets and urinals
 - * **having water efficient devices.** Low flow water efficient devices have been installed in all showers, basins, toilets and urinals reducing water consumption
 - * **having sub metering installed.** Aside from the master water meter, each floor of the building has been fitted with sub metering to ensure water leaks can be quickly detected and rectified
 - * **monitoring carbon dioxide levels.** Return ducts are fitted with CO₂ sensors controlling the outdoor air fan which regulates the volume of fresh air allowed into the air conditioning system resulting in lower energy consumption



Dedicated bike facilities and showers encourage staff to ride to work.

- * **providing electrical sub metering.** This allows for accurate monitoring of electricity
- * **using energy efficient lighting.** The installation of energy efficient lighting throughout the building
- * **utilising a Building Management System (BMS).** Lights are turned off each night, on weekends and on public holidays
- * **providing waste recycling.** A dedicated waste recycling service for the separation and collection of materials including toner cartridges and fluorescent tubing
- * **incorporating bike bays.** There are 25 bike bays dedicated to RTA staff who ride to work
- * **being close to public transport.** Located just 250 metres from Central Railway Station, 400 metres from Roma Street Railway Station and surrounded by major bus interchanges, RTA staff are encouraged to use public transport.
- **Internal communication** – through internal publications such as *Open House*, the RTA continues to provide staff with environmental messages. Staff are kept informed of the organisation's environmental practices and are invited to provide feedback on how to better protect the environment. The publication is an electronic broadcast saving on ink and paper costs associated with printing.
- **Recycling bins** – the RTA has installed recycling bins in all staff kitchens.
- **Annual Report** – in keeping with best environmental practices, the RTA has limited the print run of the 2009/10 Annual Report to just 150 copies. The report will be printed on Monza paper made from 55% recycled material. External stakeholders and clients will have access to the Annual Report online, reducing the need for a large print run.
- **Printing reduction** – all staff are encouraged to consider the need to print all electronic documents. By reducing the amount of printing and photocopying by staff, the RTA saves on paper, printer cartridges and energy consumption. Staff are also encouraged to set their printing default to double sided, again further reducing the amount of paper used. The organisation encourages electronic copies to be used whenever possible.
- **Paper recycling** – all RTA staff members have a separate bin for the collection of recyclable material leading to less material being dumped in landfill.
- **Electronic communication** – with the environment in mind, the RTA continues to distribute its flagship external publication, *Update*, electronically with no hard copies being printed.



Our Organisation - Our business operations

Quality management

The RTA continues to demonstrate its commitment to providing excellence in client 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 quality accreditation and this year achieved recertification to the new International Quality Assurance Standard ISO 9001:2008 for the next three years, subject to ongoing annual audits.

The Quality Audit was conducted by SGS Australia Pty Ltd. The auditor's comments and conclusions reaffirmed the RTA's robust methodology, its strong internal review processes and staff commitment, all reinforcing the RTA as a quality organisation.

PEP audits are carried out by staff working in teams of two. Staff are supported through ongoing training and mentoring provided by an external consultant with strong quality systems experience.

In 2009/10, 42 evaluations were undertaken as part of the PEP process from which 30 key opportunities for improvements were identified.

Apart from the formal PEP process involving RTA staff, other initiatives were identified ranging from updating and enhancing client contact skills, call quality monitoring, an extensive training and development program and access to specialist programs enhancing the knowledge and capability of frontline staff.

Technology at the RTA

The use of appropriate technology systems and processes is fundamental to the RTA's capacity to meet the growing demands of the Queensland rental sector. To support this ongoing requirement, the RTA undertook a number of key activities.

The internet based e-Services application continues to be developed and implemented in phases. The next phase of this service is planned to be rolled out in late 2010 and will provide agents with the ability to lodge bonds online.

The RTA moved to new offices at 179 Turbot Street, Brisbane, in March 2010. As part of the move, the RTA upgraded its physical infrastructure, including building a new computer server room, enhanced network facilities and a new PABX. All new services are connected to the RTA disaster recovery site at Robina.

The RTA further enhanced its software development and testing capability providing for a higher quality support service to the core business systems within RTA.

Ensuring business continuity

It is vital that RTA information systems remain secure and operational.

Over the last two years, the RTA has developed an off-site systems back up capacity in case of disaster. In December 2009, the RTA conducted the first test of its business continuity plans, which involved a full building evacuation of 33 Herschel Street and the relocation of selected staff to the RTA's business continuity site at Eight Mile Plains, 15kms from the Brisbane CBD.

External risk consultants observed the exercise and the RTA was issued with a compliance certificate that its Business Continuity Plans complied with best practice business continuity requirements.

The test demonstrated the RTA's core business and financial systems are able to operate in recovery mode if necessary along with the imaging and fax gateway systems and the telephone systems, resulting in all of the RTA's current business critical systems being operational in the event of a business disruption.

The RTA continues to partner with the Building Services Authority (BSA) to house its disaster recovery servers and fax gateway at the BSA's existing facility at Robina.

Components of existing hardware and software configurations continue to be upgraded, enabling the organisation to take advantage of facilities such as remote 'lights out' management, data replication and online performance monitoring.

Focus on business improvement

The RTA continues to progress important initiatives designed to build capacity in response to growing demand for client services. Projects include:

Implementing SMS technology

In July 2009, the RTA piloted the use of text messaging in Dispute Resolution Services to remind clients of upcoming telephone conferences. The pilot was a success and is now used throughout Dispute Resolution Services.

Right to Information

This project resulted in the smooth implementation of policies and processes to comply with the *Right to Information Act 2009* as well as the *Information Privacy Act 2009*.

Telecommunications software upgrade

In November 2009, the RTA successfully upgraded its telecommunications software to enable improvements to the Client Contact Services Quality Monitoring Program.

Portfolio Management Office

In April 2010, the RTA commenced the establishment of a Portfolio Management Office (PMO) to oversee and support the design and implementation of approved projects. The initial key objectives of the PMO are to:

- develop a framework for the governance of projects
- coordinate all project activities
- develop portfolio management methodologies and tools
- facilitate the effective delivery of programs of work.



Our business operations

Intranet redevelopment

The RTA continues to provide staff with access to reliable and accurate information via a user-friendly, online resource. Following the relaunch of the RTA Intranet in April 2009, a usability review was undertaken identifying a need for improvement to a number of features including search functionality.

A SharePoint portal administrator was engaged in early 2010 to provide expert advice on enhancing the capability of the Intranet. The SharePoint redevelopment team have already created a new design and improved menu structure that reflects feedback from the usability review.

Corporate Governance Framework

In 2009/10, the RTA's Corporate Governance Framework was fully documented. It describes the way in which the RTA is governed and managed to achieve its strategic goals, manage risk and operate with integrity. The framework

incorporates and references all of the RTA's strategic and planning documents.

The Corporate Governance Framework is a key document and 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.

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

To complement the structure, the RTA has implemented a Policy Development Framework to achieve standardisation and consistency when it comes to the development and/or review of business specific policy.

“

The RTA continues to provide staff with access to reliable and accurate information via a user-friendly, online resource.

”

For more information on the RTA's Corporate Governance and Risk Management Frameworks, see pg 22



Angie Campbell, Senior Communications Officer, oversees Intranet redevelopment.

Our Organisation - Our finances

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 the *Residential Tenancies and Rooming Accommodation Act 2008*.

The 2009/10 financial year provided steady growth in investments driven by an overall increase in bond lodgements of \$35.710m to \$530.913m, compared to \$495.204m in 2008/9.

In 2009/10, the RTA's investment returns were strong, and combined with responsible expenditure management, resulted in a surplus from continuing operations to the RTA of \$13.222m.

Income

The RTA relies on investment returns on financial assets to fund its expenses, meaning the RTA's financial performance and financial position depend on achieving adequate investment returns.

The average rate of return on investments was 7.8% against a budgeted return of 5.0%. The result has been an operating income of \$40.305m, up \$33.136m on the result achieved in 2008/09.

Net financial assets classified as financial instruments held at the RTA as at 30 June 2010, are \$35.989m compared to \$22.025m the previous year. This is represented by financial assets of \$569.894m (cash and investments) less financial liabilities of \$533.905m (being rental bonds and unclaimed monies held on behalf of clients).

The RTA manages cash in accordance with Part 3, Division 5 of the *Residential Tenancies and Rooming Accommodation Act 2008* and invests that cash in accordance with provisions of the *Statutory Bodies Financial Arrangements Act 1982*.

The RTA has continued to distinguish RTA earnings from the main investment portfolio via two portfolios, namely the Rental Bond and the Business Operations Portfolio.

The Rental Bond Portfolio represents the investment of all rental bonds held.

This portfolio is actively managed by fund manager Queensland Investment Corporation (QIC) and funds are allocated across a range of asset classes in accordance with the Investment Strategy adopted by the RTA Board.

The Business Operations Portfolio represents the earnings from investments and is used to fund all RTA business operating expenses and grants as provided in the *Residential Tenancies and Rooming Accommodation Act 2008*.

The Business Operations Portfolio is managed by the RTA with funds invested in Treasury approved, short-term, liquid cash investments with financial institutions that meet the criteria of the investment strategy.

Funds are held in at call accounts and short-term fixed deposits and managed in accordance with the *Statutory Bodies Financial Arrangements Act 1982*.

RTA Investment approach and Corporate Governance Framework

This year, the Board commissioned Mercer Pty Ltd to complete an extensive review of its investment approach and Corporate Governance Framework.

The review concluded that the RTA has in place a very sound framework that ensures its investments are managed in accordance with relevant legislation and includes policies and documents which in principle represent an appropriate governance and decision making framework.

The review made some recommendations that generally focussed on improving clarity of investment documentation. All recommendations of the review were accepted and will be implemented.

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

Key information

Selected financial and operating data

The RTA has compiled the financial information for the financial year ending 30 June 2010, and prior from audited financial statements and related notes prepared in accordance with Australian Equivalents to International Financial Reporting Standards (where appropriate), the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2009* and Australian Accounting Standards (including the Australian Accounting Interpretations).

These consolidated financial statements have been audited by an independent auditor, Mr Junaide Latif of Cranstoun & Hussein appointed by the Queensland Audit Office.

Allocation of investment funds managed through QIC

Fund Type	Investment Range	Amount invested as at 30 June 2010 - \$000	Proportional allocation as at 30 June 2010
Cash Enhanced Fund	0 - 100%	228,650	43.2%
RTA Credit Fund	0 - 45%	172,641	32.6%
Global Credit Opportunities Fund No.1	0 - 20%	44,763	8.5%
Property Fund	0 - 20%	66,826	12.6%
Overlay		16,850	3.1%
Total		529,730	

Our finances

Operating expenditure

This year, expenditure increased by \$3.267m to \$27.083m due to a range of factors including the impacts of moving premises.

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 \$0.992m (8.7%) from \$11.368m in 2008/09 to \$12.360m in 2009/10. This is attributable to core agreement increases and an increase in staff levels to improve service delivery and to meet current demands placed on the RTA by the growing Queensland rental market.

Supplies and services

Supplies and services rose by \$0.476m (6.5%) from \$7.343m in 2008/09 to \$7.819m in 2009/10. Generally the overall increase is due to CPI increases and leasing costs for office accommodation.

Grants and subsidies

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

Grants increased by 4.5% from \$3.734m in 2008/09 to \$3.903m in 2009/10.

Depreciation and amortisation

Depreciation and amortisation increased by 10.3% from \$1.112m to \$1.226m as internally generated software and other assets became operational and depreciable.

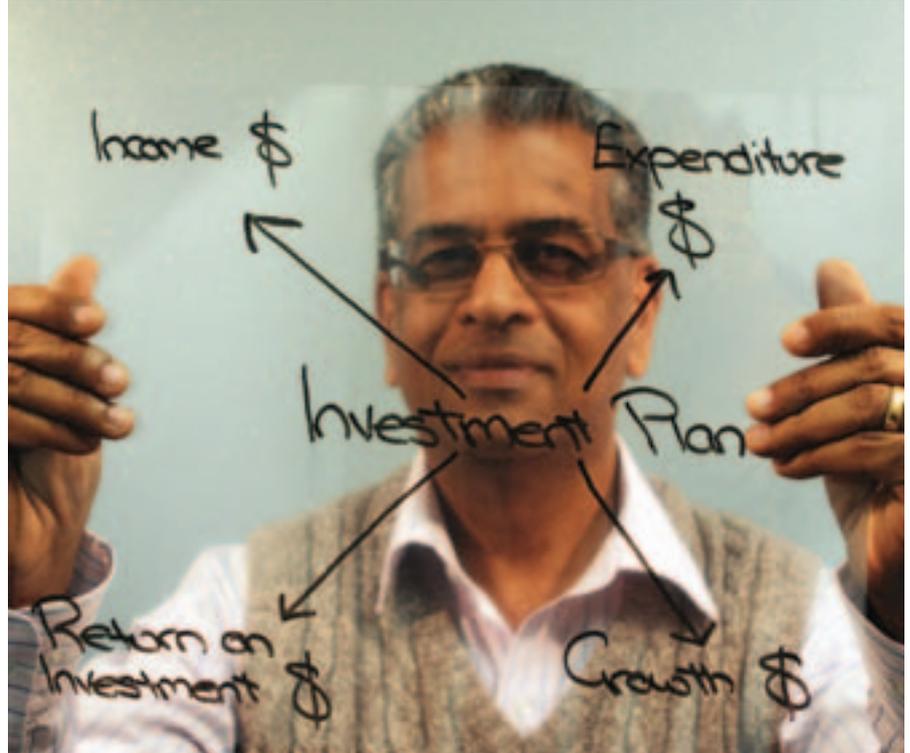
The RTA uses technology extensively to support service provision and this increase is due to the impact of acquiring and developing technology assets.

Improved efficiency

The RTA continues to 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 costs to the RTA.



The RTA has continued to focus on business improvements and on enhancing its internal and external financial processes.

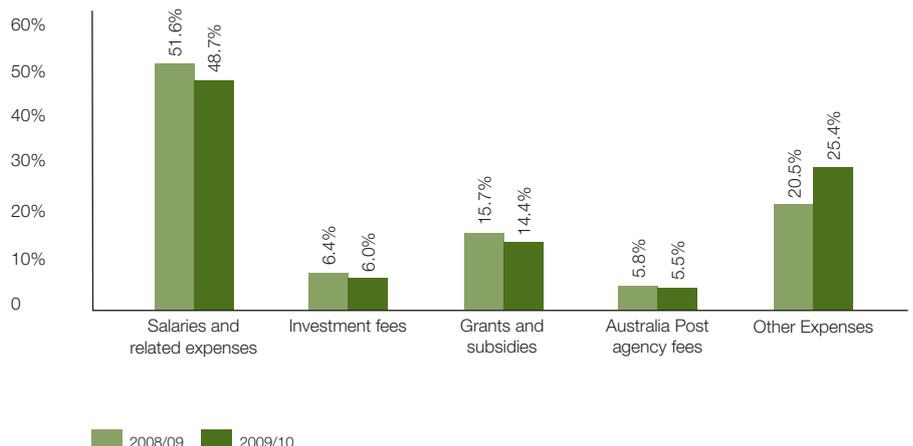


Senior Finance Officer Chris Harvie

RTA Grants

Grant	2009/10	2008/09
	\$'000	\$'000
Housing Affordability Grant	0	100
RTA Community Education Public Grants Scheme	183	148
Tenant Advice and Advocacy Service (Qld) Grant	3,442	3,245
Tenants Union of QLD/QCAT	278	241
Total	3,903	3,734

Expenditure by type



Our Organisation - Our finances

Cost per client activity

To analyse 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 graphs on the right outline the average cost per client activity for the key RTA services to clients in 2008/09 and 2009/10 for four activities:

- client enquiries to the Client Contact 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.

Increases in the overhead costs to achieve higher governance standards have led to an increase in costs per client activity.

For 2009/10, the cost to respond to a telephone call was \$12.97, up from \$10.87 the previous year.

The average cost to process a bond form increased \$1.15 to \$11.24, up from \$10.09 in 2008/09.

To lodge a dispute and manage the resolution process, the cost decreased by \$4.03 to \$248.95 for 2009/10.

Recent changes to business processes and implementation of call conferencing technology assisted in cost reduction.

Investigations have the highest activity cost of all RTA services at \$1,919, which reflects that criminal law prosecutions may be involved and thorough processes that must be followed to collect evidence to meet standards required by law. In addition, the level of complexity of cases is increasing, thus requiring additional resources.

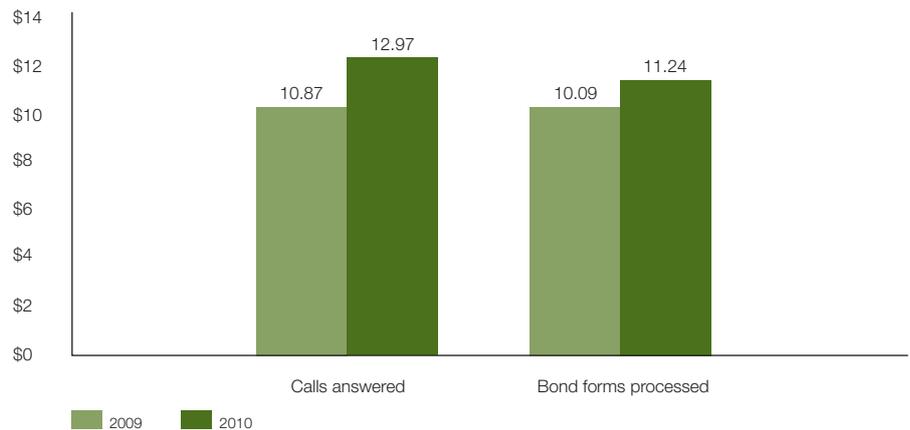
A decrease in the number of complaints received has also led to an increase in cost per investigation commenced.

Financial performance

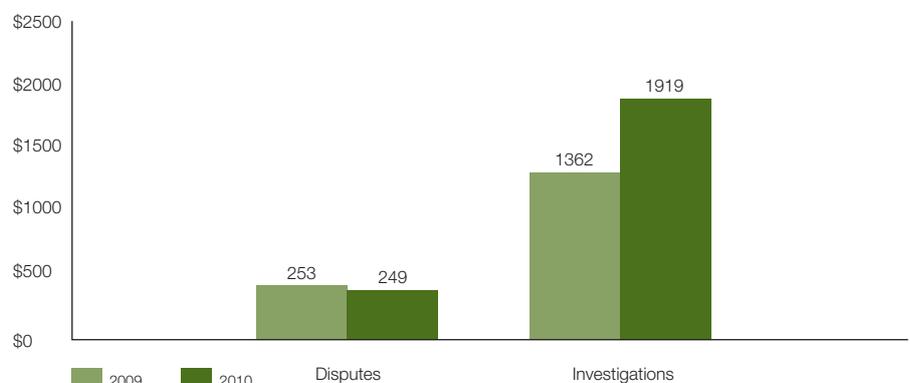
The financial performance of the RTA has improved this financial year as indicated by the graph on the following page.

The graph highlights the relationship between the level of investment revenue, expenditure and the surplus or deficit achieved for the last five years.

Cost per activity - Client Contact Centre and Bond Administration



Cost per activity - Dispute Resolution and Investigations



Note: the allocation and cost drivers have been updated to reflect the organisational re-structure of the RTA that occurred during 2009/10. Therefore the prior years results have been amended to reflect consistency in methodology.

The RTA had an operating surplus from continuing operations for 2009/10 of \$13.222m, due to strong investment returns coupled with prudent management of operating expenditure.

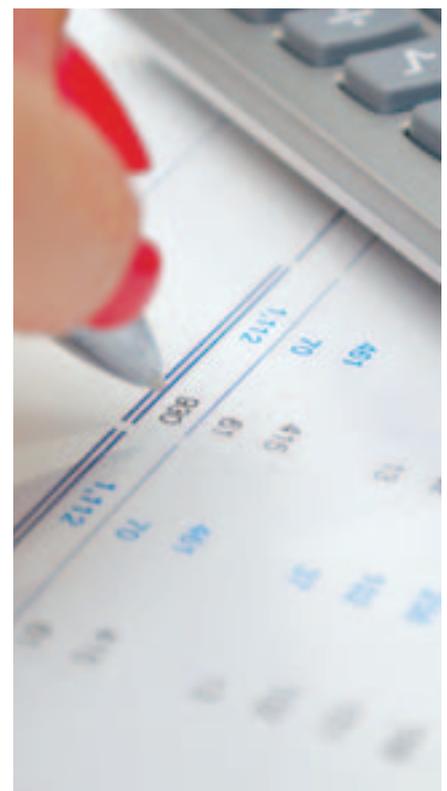
The RTA's operational reserve which is used to fund all RTA business operating expenses and grants has grown to \$43.187m in 2009/10.

This ensures that service delivery will continue at current or increased levels into the future without disruption.

Former business premises

The RTA owns its former business premises at 33 Herschel Street, Brisbane. Since acquisition in 1998, it has proven to be a sound investment for the organisation as the foundation for the RTA's statewide services, as well as providing capital growth.

In March, the RTA transferred its operations to new leased premises at 179 Turbot Street. The Herschel Street premises has now been classified as an investment property and is currently being marketed by commercial agents, Savills Pty Ltd.

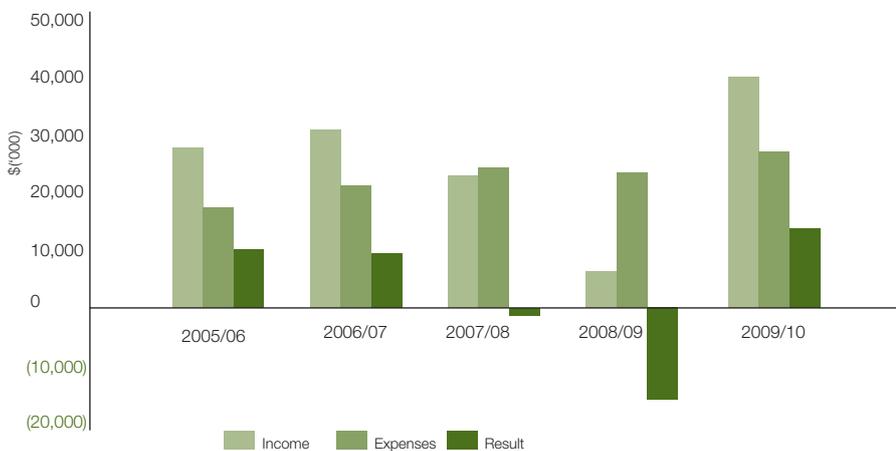


Our finances



RTA Assistant Accountant Bernadette Lodge and Purchasing Officer Suzanne Savage review budget papers.

Financial performance - 2005/06 to 2009/10



Financial position

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

Total equity increased by 35.3% from 2008/09 and the strong performance in the past year has provided a solid balance sheet position with total net assets of \$43.187m.

In order to address the issue of market volatility, the RTA investments are managed with three basic principles:

- by setting a realistic target return for the ensuing financial year based on conservative estimates of market returns and rental bond growth
- active management, monitoring and application of proactive measures in administering the investment strategy to manage volatility of investment revenues
- maintaining separate operational funds to ensure business sustainability during difficult economic times.

Financial outlook

The RTA is committed to ensuring prudent management of investments through agreed strategies and processes in line with the provisions of the *Statutory Bodies Financial Arrangements Act 1982*. Given continued market uncertainty, the RTA is working closely with fund manager QIC, to ensure investment risks are carefully managed. Despite increasing operational costs driven by rising labour costs and meeting increased service demands, the RTA anticipates an operating surplus of \$5.333m for the 2010/11 financial year reflecting a forecast return on investment of 6.0%.

The RTA continues to focus on business improvements and on enhancing its internal and external financial and budgetary management practices and processes.

The RTA continues to monitor Queensland Audit Office reports and implements the recommendations where appropriate. The RTA received an unqualified audit report for its financial statements for the 2009/10 financial year.

Our Organisation - Case study

“

The program has given me the empowerment to know that if I can do that, I can do anything in life.

”

Future priorities - Our Organisation

Key activities for 2010/11 are to:

- Implement revised corporate induction program.
- Implement Workforce Action Plans and related business process improvements.
- Roll out the Corporate Staff Development and Training Program.
- Complete a full test of the Business Continuity and Disaster Recovery Plans.
- Complete implementation of Portfolio Management Office and associated project management framework.
- Review and replace specific application and network technology to improve service capacity.
- Implement the recommendations of the Mercer Review of the RTA's Investment Strategy.
- Achieve a Return on Investment of 6.0%.



Views across King George Square, from the RTA offices, Level 23, 179 Turbot Street.

Case study - Height resilience program

In late 2009 the RTA announced to staff that it would be relocating to new premises in early 2010.

At that time, the RTA's offices were a three storey building located on the fringe of the Brisbane CBD.

The new premises in the centre of Brisbane are the top four floors of a 26 storey building. While most staff looked forward to the move into a more modern environment with the added advantage of attractive views, a number of staff raised concerns about working in an environment at that height.

The RTA subsequently sought advice and a proposal from the University of Queensland's Psychology Clinic on the best approach to providing assistance to these employees, before the RTA's move to the new premises.

As a result, an eight week cognitive behavioural therapy program was undertaken that focused on giving staff anxiety management skills to lessen the impact of working in a high rise building.

The program consisted of:

- Psychoeducation on the nature of anxiety and phobias
- Arousal reduction techniques

- Cognitive restructuring strategies
- Graded in-vivo exposure, and
- Relapse prevention strategies in order to maintain progress.

A University of Queensland clinical psychologist and two intern psychologists led eleven staff through the program.

A low participant to psychologist ratio, coupled with practical exercises, including gradual exposure to the new building, resulted in successful outcomes across the whole group. All staff made the transition to the new premises.

Feedback from all participants indicated that the amount of progress they made through the program far exceeded their expectations, to the point that they are now able to apply the anxiety management skills in other areas of their lives.

One RTA staff member, who was one of the most severely affected said the program had changed her life completely.

“The program has given me the empowerment to know that if I can do that, I can do anything in life. I can share in more fun activities with my husband and children and share in the memories that last a lifetime,” she said.



Financials

General Purpose Financial Report

for the year ended 30 June 2010.

This financial report is a general purpose financial report of the Residential Tenancies Authority and its controlled entity and is presented in Australian Currency. The Residential Tenancies Authority and its controlled entity are both Queensland Government statutory bodies constituted under the *Residential Tenancies and Rooming Accommodation Act 2008*. The RTA and its controlled entity are controlled by the State of Queensland which is the ultimate parent.

The head office and principal place of business of the Authority is: Level 23, 179 Turbot Street, BRISBANE QLD 4000.

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Statement of comprehensive income

for the year ended 30 June 2010

	Notes	Group		Parent	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Income					
Interest and investment revenue	3	40,136	7,145	40,136	7,145
Other revenue	3	169	24	169	24
Total income		40,305	7,169	40,305	7,169
Expenses					
Employee expenses	5	12,360	11,368	236	228
Supplies and services	6	7,819	7,343	19,947	18,486
Grants and subsidies	7	3,903	3,734	3,903	3,734
Depreciation and amortisation	8	1,226	1,112	1,226	1,112
Asset impairment	9	1,558	-	1,558	-
Loss on disposal of assets	4	4	80	4	80
Other expenses	10	213	179	209	176
Total expenses		27,083	23,816	27,083	23,816
Operating result		13,222	(16,647)	13,222	(16,647)
Other comprehensive income					
Decrease in asset revaluation reserve	23	(1,948)	(2,198)	(1,948)	(2,198)
Total other comprehensive income		(1,948)	(2,198)	(1,948)	(2,198)
Total comprehensive income		11,274	(18,845)	11,274	(18,845)

The accompanying notes form part of these statements

Statement of financial position

for the year ended 30 June 2010

	Notes	Group		Parent	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Current assets					
Cash and cash equivalents	11	39,814	21,952	39,734	21,912
Other financial assets	12	529,730	497,126	529,730	497,126
Receivables	13	658	319	655	319
Other assets	14	539	351	445	247
Total current assets		570,741	519,748	570,564	519,604
Non current assets					
Intangible assets	15	3,903	2,720	3,903	2,720
Property, plant and equipment	16	3,364	9,113	3,364	9,113
Investment property	17	4,700	-	4,700	-
Other assets	14	1,886	2	1,886	2
Total non current assets		13,853	11,835	13,853	11,835
Total assets		584,594	531,583	584,417	531,439
Current liabilities					
Payables	18 a	2,992	2,146	5,417	4,282
Rental bonds and unclaimed monies	18 b	530,913	495,204	530,913	495,204
Accrued employee benefits	19	1,086	986	19	19
Other liabilities	20	494	-	494	-
Total current liabilities		535,485	498,336	536,843	499,505
Non current liabilities					
Accrued employee benefits	19	1,562	1,334	27	21
Other liabilities	20	4,360	-	4,360	-
Total non current liabilities		5,922	1,334	4,387	21
Total liabilities		541,407	499,670	541,230	499,526
Net assets		43,187	31,913	43,187	31,913
Equity					
Accumulated surplus	22	43,187	27,665	43,187	27,665
Asset revaluation reserve	21, 23	-	4,248	-	4,248
Investment fluctuation reserve	21	-	-	-	-
Total equity		43,187	31,913	43,187	31,913

The accompanying notes form part of these statements

Statement of changes in equity

for the year ended 30 June 2010

	\$'000	\$'000	\$'000	\$'000
	Accumulated surplus	Asset Revaluation Reserve	Investment Fluctuation Reserve	Total equity
Group				
2010				
Balance at beginning of reporting period	27,665	4,248	-	31,913
<i>Other comprehensive income:</i>				
Revaluation of property, plant and equipment	-	(1,948)	-	(1,948)
Asset Revaluation Reserve transferred to accumulated surplus (note 17)	2,300	(2,300)	-	-
Operating result from continuing operations	13,222	-	-	13,222
Balance at the end of the reporting period	43,187	-	-	43,187
2009				
Balance at beginning of reporting period	36,820	6,446	7,492	50,758
<i>Other comprehensive income:</i>				
Revaluation of property, plant and equipment	-	(2,198)	-	(2,198)
Transfers from Investment Fluctuation Reserve	7,492	-	(7,492)	-
Operating result from continuing operations	(16,647)	-	-	(16,647)
Balance at the end of the reporting period	27,665	4,248	-	31,913
Parent				
2010				
Balance at beginning of the reporting period	27,665	4,248	-	31,913
<i>Other comprehensive income:</i>				
Revaluation of property, plant and equipment	-	(1,948)	-	(1,948)
Asset Revaluation Reserve transferred to accumulated surplus (note 17)	2,300	(2,300)	-	-
Operating result from continuing operations	13,222	-	-	13,222
Balance at the end of the reporting period	43,187	-	-	43,187
2009				
Balance at beginning of the reporting period	36,820	6,446	7,492	50,758
<i>Other comprehensive income:</i>				
Revaluation of property, plant and equipment	-	(2,198)	-	(2,198)
Transfers from Investment Fluctuation Reserve	7,492	-	(7,492)	-
Operating result from continuing operations	(16,647)	-	-	(16,647)
Balance at the end of the reporting period	27,665	4,248	-	31,913

The accompanying notes form part of these statements

Statement of cash flows

for the year ended 30 June 2010

	Notes	Group		Parent	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Cash flows from operating activities					
<i>Inflows</i>					
Interest income		1,517	404	1,517	404
Bond lodgements		317,218	315,567	317,218	315,567
Investment income		38,333	6,744	38,333	6,744
Other operating receipts		163	24	163	24
GST collected on sales		24	5	24	5
GST refunds received		1,274	1,193	1,274	1,193
<i>Outflows</i>					
Bond claims		(281,510)	(256,546)	(281,510)	(256,546)
Employee benefits and on-costs		(12,015)	(11,028)	(227)	(2,068)
Supplies and services		(8,875)	(7,931)	(20,709)	(16,934)
Grants and subsidies		(1,976)	(2,842)	(1,976)	(2,842)
Other expenses		(209)	(183)	(204)	(180)
GST paid on purchases		(1,414)	(1,214)	(1,413)	(1,214)
Net cash provided by operating activities	24	52,530	44,193	52,490	44,153
Cash flows from investing activities					
<i>Inflows</i>					
Proceeds from sale of investment securities		40,500	29,000	40,500	29,000
<i>Outflows</i>					
Purchase of property, plant & equipment and intangible assets		(2,064)	(1,201)	(2,064)	(1,201)
Purchase of investment securities		(73,104)	(51,508)	(73,104)	(51,508)
Net cash used in investing activities		(34,668)	(23,709)	(34,668)	(23,709)
Net increase in cash and cash equivalents		17,862	20,484	17,822	20,444
Cash and cash equivalents as at beginning of financial year		21,952	1,468	21,912	1,468
Cash and cash equivalents at end of financial year	24	39,814	21,952	39,734	21,912

The accompanying notes form part of these statements

Notes to and forming part of the financial statements

for the year ended 30 June 2010

Objectives and principal activities of the RTA

The Residential Tenancies Authority (the RTA) is a self funded regulatory authority 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 and Rooming Accommodation Act 2008* (the Act) and to provide services in accordance with the Act.

In terms of Section 468 of the Act, the RTA's functions are:

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

- (j) to perform functions incidental to its other functions.

The RTA is a statutory body under Section 9 of the *Financial Accountability Act 2009* (Qld). The RTA falls within the portfolio of the Minister for Community Services and Housing and Minister for Women.

Section 491 of the Act establishes the Residential Tenancies Employing Office (RTEO) as a statutory body for the purposes of the *Financial Accountability Act 2009* (Qld).

The trading of the Residential Tenancies Employing Office (RTEO) commenced on 1 July 2008. In accordance with *AASB 127 Consolidated and Separate Financial Statements, Interpretation 112 Consolidation – Special Purpose Entities* and Part 1 of Queensland Treasury's *Guidance Paper: Financial Reporting Requirements for Queensland Government Agencies*, the RTEO is controlled by the RTA and the RTA is required to prepare a consolidated General Purpose Financial Report for the 2009/10 financial year. Thus, this financial report covers the Residential Tenancies Authority (RTA) and its controlled entity.

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 493 of the 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.

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

1. Summary of significant accounting policies

(a) Statement of compliance

The Residential Tenancies Authority has prepared these statements in compliance with section 43 of the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements, and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with the Treasury's Minimum Reporting Requirement for the year ending 30 June 2010, other authoritative pronouncements and the requirements prescribed by:

- *Residential Tenancies and Rooming Accommodation Act 2008* (Qld)
- *Statutory Bodies Legislation Amendment Act 2007*(Qld) (SBLA Act)

With respect to compliance with Australian Accounting Standards and Interpretations, the RTA has applied those requirements applicable to not-for-profit entities, as the RTA is a not-for-profit authority. Except where stated, the historical cost convention is used.

(b) Principles of consolidation

A controlled entity is any entity over which the RTA has the power to govern the financial and operating policies so as to obtain benefits from its activities. The RTA controls only the RTEO and does not control any other entity.

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the RTA and the entity it controls.

All inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of the RTEO reflect those adopted by the RTA (parent entity).

(c) The reporting entity

This financial report includes the consolidated financial statements and notes of the RTA and its controlled entity ('Group'), and the separate financial statements and notes of the RTA as an individual parent entity ('Parent').

(d) Revenue recognition

The RTA invests cash in accordance with Part 3 of the *Residential Tenancies and Rooming Accommodation Act 2008* (Qld), the *Statutory Bodies Financial Arrangements Act 1982* (Qld) and Regulations thereto. A majority of the cash is placed into investments that are managed by fund manager Queensland Investment Corporation Limited (QIC) and allocated across a range of investment funds in a unique portfolio as required by the Investment Strategy adopted by the RTA Board. Investments are measured at their net market value at each balance date. Changes in the net market value of investments in this portfolio, positive or negative, are recognised as income in the Statement of Comprehensive Income. Any interest derived on funds invested with other financial institutions is brought to account when earned.

Notes to and forming part of the financial statements

for the year ended 30 June 2010

(e) Cash and cash equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques receipted but not banked at 30 June as well as deposits at call with financial institutions. It also includes investments with short periods to maturity that are readily convertible to cash at the RTA's option and subject to a low risk of changes in value.

(f) Other financial assets

Managed funds, managed by fund manager QIC, are generally available at call. These investments are held at market value in a portfolio of five products covering various levels of investment risk and investment return (see note 12).

The RTA manages its exposure to interest rate risk on investments through compliance with the SBFA Act, Queensland Treasury Guidelines and a formal investment strategy approved by the RTA Board. The Treasurer must approve through Section 61A of the SBFA Act the strategic asset allocation parameters. The Treasurer approved the RTA to appoint QIC as its fund manager under section 59 of the SBFA Act on 23 November 2004.

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

(g) Receivables

The collectability 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.

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

(h) 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 and 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.

(i) 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.

(j) 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.

(k) 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 3 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 3 to 5 years.

(l) 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

(m) 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 Statement of Comprehensive Income, 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 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(j).

(n) Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost including transaction costs, where investment property is acquired at no or nominal cost it is recognised at fair value. Investment property is subsequently carried at fair value, being revalued at each reporting date. Fair value is based on selling prices in an active property market adjusted, if necessary, to reflect the nature, location or condition of the specific investment property. If there is no active property market, alternative valuation methods are used, such as recent selling prices in less active markets, or discounted cash flow projections.

Gains or losses arising from changes in the fair value of investment property are included in the Statement of Comprehensive Income for the period in which they arise. Investment property is not depreciated and is not tested for impairment.

As from the 8th March 2010 the RTA ceased occupying its owned premises at 33 Herschel St, Brisbane. In accordance with AASB 140 *Investment Property*, The RTA has reclassified this property from Property, Plant and Equipment to Investment Property (see note 17).

(o) 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.

Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between rental expense and reduction of the liability.

(p) 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.

(q) Rental bonds and unclaimed monies

In accordance with Section 116 of the *Residential Tenancies and Rooming Accommodation Act 2008* (Qld) 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 *Financial Instruments: Recognition and Measurement*, 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 un-presented. 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.

(r) Financial instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position 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
- Other financial assets – held at fair value through profit and loss
- Receivables – held at amortised cost
- Payables – held at amortised cost

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

Notes to and forming part of the financial statements

for the year ended 30 June 2010

All disclosures relating to the measurement basis and financial risk management of other financial instruments held by the RTA are included in Note 27.

(s) Employee benefits

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

All employees of the RTEO are employed under the SBLA Act and employees of the RTA are employed under the Act. No employees are employed under the *Public Service Act 2008* (Qld) (Section 311C).

TOIL, long service leave and annual leave due but unpaid at reporting date are recognised in the Statement of Financial Position at the remuneration rates expected to apply at the time of settlement including on-costs in accordance with AASB 119 *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, after projecting the remuneration rates expected to apply at the time of likely settlement.

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.

Within the Statement of Comprehensive Income, on-costs such as payroll tax and workers' compensation insurance are a consequence of employing employees and are not included in an employee's total remuneration package. Hence they are recognised separately as employee related expenses rather than employee benefits. Employer superannuation contributions are regarded as employee benefits (refer Note 5).

Superannuation

All employer superannuation contributions are paid to QSuper at rates determined by the Treasurer on the advice of the State Actuary. The QSuper superannuation

scheme is for Queensland Government employees. All superannuation contributions are expensed in the period in which they are paid or payable. The RTA and its controlled entity's obligations are limited to their contribution to QSuper and there is no responsibility by the RTA or its controlled entity to cover any shortfall in the funds' obligation to provide benefits to employees 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 AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Executive remuneration

The RTA and its controlled entity did not employ any senior executive appointed under the *Public Service Act 2008* (Qld) and classified Senior Executive Service (SES) Level 1 and above, with total remuneration above \$100,000 in the financial year. Pursuant to the SBLA Act, the executive officer appointed to the employing office is the same person who holds an existing appointment as the General Manager of the RTA. No additional salary is paid for the performance of the dual role. The RTA General Manager is appointed by Governor in Council and not under the *Public Service Act 2008*. Therefore, there are no executive remuneration disclosures in the financial statements.

(t) Financing/Borrowing costs

Finance costs are recognised as an expense in the period in which they are incurred.

Finance costs include:

- Interest on bank overdrafts and short-term and long-term borrowings;
- Finance lease charges;
- Amortisation of discounts or premiums relating to borrowings; and
- Ancillary administration charges.

No borrowing costs are capitalised into qualifying assets.

(u) 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 and its controlled entity pay premiums to WorkCover Queensland in respect of their obligations for employee compensation.

(v) Taxation

The RTA and its controlled entity are State bodies as defined under the Income Tax Assessment Act 1936 and are exempt from Commonwealth (Cth) taxation. They are also exempt from the State imposed Land Tax [(section 13(1) (a) *Land Tax Act 1915* (Qld)]. However, they are not exempt from other taxes such as Fringe Benefits Tax (Cth), Goods and Services Tax (GST) (Cth) or Payroll Tax (Qld). In addition, they must comply with Pay-As-You-Go (PAYG) withholding requirements (Cth).

GST

Both the RTEO and the RTA satisfy section 149-25(e) of the *A New Tax System (Goods and Services) Act 1999* (Cth) (the GST Act) and were able to form a "group" for GST purposes under Division 149 of the GST Act. This means that any transactions between the RTA and the RTEO do not attract GST. However, both entities are responsible for the payment or receipt of any GST for their own transactions. As such, GST credits receivable from/payable to the Australian Taxation Office (ATO) are recognised and accrued.

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.

Fringe Benefits Tax (FBT)

FBT is accounted for by both entities for any benefits provided to employees.

Payroll Tax

Both entities are liable for payroll tax pursuant to *Payroll Tax Act 1971* (Qld). In addition, the legislation provides for the compulsory "grouping" of related or associated businesses so that when their wages are aggregated they are not below the exemption threshold. Both entities are responsible for the payment of payroll-tax on their own wages.

PAYG Withholding

PAYG withholding applies to both entities even if they are members of a consolidated

group. Generally, each entity is obliged to withhold an amount from such payments at rates specified by the schedules issued under the *Taxation Administration Act 1953* (Cth) and then pay that amount to the Commissioner for Taxation within the timeframe imposed by that Act.

(w) Issuance of financial statements

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

(x) 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.

(y) 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.

(z) New and revised accounting standards

The RTA and its controlled entity did not voluntarily change any of their accounting policies during 2009/10. Those new and amended Australian accounting standards that were applicable for the first time in the 2009/10 financial year and that had a significant impact on the financial statements are as follows:

The RTA and its controlled entity complied with the revised AASB 101 *Presentation of Financial Statements* as from 2009/10. This revised standard does not have any measurement or recognition implications. Pursuant to the change of terminology used in the revised AASB 101, the Balance Sheet is now re-named to the Statement of Financial Position, and the Cash Flow Statement has now been re-named to Statement of Cash Flows. The former Income Statement has been replaced by a Statement of Comprehensive Income. In line with the new concept of 'comprehensive income' the bottom of this new statement contains certain transactions that previously were detailed in the Statement of Changes in Equity (refer to the items under the sub-heading "Other Comprehensive Income" in the new Statement of Comprehensive Income). The

Statement of Changes in Equity now only includes details of transactions with owners in their capacity as owners, in addition to the total comprehensive income for the relevant components of equity.

The RTA and its controlled entity are 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 and its controlled entity have not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective. The RTA and its controlled entity will apply these standards and interpretations in accordance with their respective commencement dates.

At the date of authorisation of the financial report, the only significant impacts of new or amended Australian accounting standards with future commencement dates are set out below:

AASB 9 *Financial Instruments* and AASB 2009/11 *Amendments to Australian Accounting Standards arising from AASB 9* [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and interpretations 10 & 12] become effective from reporting periods beginning on or after 1 January 2013. The main impacts of these standards are that they will change the requirements for classification, measurement and disclosures associated with financial assets. Under the new requirements, financial assets will be more simply classified according to whether they are measured at either amortised cost or fair value. Pursuant to AASB 9, financial assets must be held within a business model whose objective is to hold assets in order to collect contractual cash flows. The other condition is that the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial application of AASB 9, the RTA will need to re-assess the measurement of its financial assets against the new classification and measurement requirements, based on the facts and circumstances that exist at that date. Assuming no change in the types of transactions the RTA enters into, it is not expected that any of its financial assets will meet the criteria in the AASB 9 to be measured at amortised cost. Therefore, as from the 2013/14 financial statements, all of the RTA's financial assets will be required to be classified as "financial assets required to be measured at fair value through profit and loss" (instead of the measurement classifications presently used in note 1(r)

and 27). The same classification will be used for net gains/losses recognised in the Statement of Comprehensive Income in respect of those financial assets. In the case of the RTA and its controlled entity's receivables, the carrying amount is considered to be a reasonable approximation of fair value.

All other Australian accounting standards and interpretations with future commencement dates are either not applicable to the RTA or its controlled entity or have no material impact.

2. RTA funds management

The RTA is a custodian of rental bond monies and is unable to utilise such funds to support operations in accordance with Sections 152 and 153 of the *Residential Tenancies and Rooming Accommodation Act 2008* (Qld).

The RTA manages cash in accordance with Part 3, Division 5 of the *Residential Tenancies and Rooming Accommodation Act 2008* (Qld) and invests that cash in accordance with provisions of the *Statutory Bodies Financial Arrangements Act 1982*.

The RTA has continued to distinguish RTA earnings from the main investment portfolio, via two portfolios, namely the Rental Bond Portfolio and the Business Operations Portfolio.

The Rental Bond Portfolio represents the investment of all rental bonds held. This portfolio is actively managed by fund manager QIC in accordance with the RTA Investment Policy.

The Business Operations Portfolio represents the earnings from investments and is used to fund all RTA business operating expenses and grants as provided in the *Residential Tenancies and Rooming Accommodation Act 2008* (Qld).

The Business Operations Portfolio is managed by the RTA. Funds are held in at-call accounts and short-term fixed deposits and managed in accordance with the *Statutory Bodies Financial Arrangements Act 1982* (Qld) and the RTA Investment Policy.

Notes to and forming part of the financial statements

for the year ended 30 June 2010

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
3. Income				
Investment revenue				
Interest on cash assets & investments				
Return on investments	38,333	6,744	38,333	6,744
Bank interest	1,803	401	1,803	401
Total investment revenue	40,136	7,145	40,136	7,145
Other revenue				
Sundry income	161	17	161	17
Bad debts recovered	3	2	3	2
Discounts received	5	5	5	5
Total other revenue	169	24	169	24
Total income	40,305	7,169	40,305	7,169

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
4. Gain or loss on disposal of assets				
Disposal of computer hardware				
Proceeds from disposal				
Less: carrying amount of assets disposed	2	-	2	-
Gain (loss) on disposal	(2)	-	(2)	-
Disposal of internally generated software				
Proceeds from disposal	-	-	-	-
Less: carrying amount of assets disposed	-	80	-	80
Gain (loss) on disposal	-	(80)	-	(80)
Disposal of purchased software				
Proceeds from disposal	-	-	-	-
Less: carrying amount of assets disposed	2	-	2	-
Gain (loss) on disposal	(2)	-	(2)	-
Total loss on disposal of assets	(4)	(80)	(4)	(80)

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
5. Employee expenses				
Employee benefits				
Salaries and wages	10,070	8,995	171	163
Allowances	109	140	-	-
Employee leave entitlements	465	488	5	2
Employer superannuation contributions	1,209	1,112	18	18
Less: capitalised costs	(317)	(140)	-	-
Total employee benefits	11,536	10,595	194	183
Employee related expenses				
Fringe benefits tax	18	20	14	17
Workers' compensation insurance *	27	24	-	1
Payroll tax *	562	512	24	26
Other employee related expenses	217	217	4	1
Total employee related expenses	824	773	42	45
Total operating employee costs	12,360	11,368	236	228

* 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.

	Group		Parent	
	2010	2009	2010	2009
	No.	No.	No.	No.
The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is:	162	153	1	1

Notes to and forming part of the financial statements

for the year ended 30 June 2010

	Group		Parent	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
6. Supplies and services				
Advertising	102	116	50	10
Australia Post agency fees				
- Display stands	191	176	191	176
- Incoming mail	144	131	144	131
- Lodgements	106	105	106	105
- Mailout/EDI	118	116	118	116
- Refunds	777	731	777	731
- Mailing house	167	123	167	123
Archival fees and charges	58	54	58	54
Bank charges	46	49	46	49
Board fees	47	44	47	44
Board expenses	12	18	12	18
Cleaning	27	52	27	52
Contractors and consultants	1,640	1,482	1,593	1,480
Council rates	75	61	75	61
Electricity	114	88	114	88
Equipment expensed	266	442	266	442
Investment fees	1,612	1,526	1,612	1,526
Legal expenses	175	52	175	52
Operating lease rental	182	115	182	115
Postage	356	357	356	357
Printing and stationery	345	336	345	336
Repairs and maintenance	142	161	142	161
RTEO service fees	-	-	12,558	11,404
Software maintenance	188	234	188	234
Telephone	245	169	245	169
Travel expenses	82	59	81	58
Other supplies and services	602	546	589	534
Less: capitalised costs	-	-	(317)	(140)
Total supplies and services	7,819	7,343	19,947	18,486
7. Grants and subsidies				
Housing Affordability Grant	-	100	-	100
RTA Community Education Public Grants Scheme	183	148	183	148
Tenant Advice and Advocacy Service (Qld) Grant (TAAS (Q))	3,442	3,245	3,442	3,245
Other grants	278	241	278	241
Total grants and subsidies	3,903	3,734	3,903	3,734

Note that for further information on grants committed in future years, please refer to Other commitments in Note 26.

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
8. Depreciation and amortisation				
Depreciation and amortisation were incurred in respect of:				
Plant and equipment	176	184	176	184
Computer equipment	280	258	280	258
Buildings	94	102	94	102
Leasehold improvements	116	37	116	37
Other intangible assets				
Software internally generated	488	461	488	461
Purchased software	72	70	72	70
Total depreciation and amortisation	1,226	1,112	1,226	1,112

9. Asset impairment

Impairment of buildings	1,558	-	1,558	-
Total asset impairment	1,558	-	1,558	-

10. Other expenses

External audit fees *	35	30	31	27
Internal audit fees	71	58	71	58
Bad and impaired debts	41	30	41	30
Insurance premiums	61	56	61	56
Valuation fees	4	5	4	5
Loss - cash	1	-	1	-
Total other expenses	213	179	209	176

* Total external audit fees relating to the 2009/10 financial year are estimated to be \$33,800 for the Group and \$30,500 for the Parent, (2008/09 \$27,900 for the Group and \$25,100 for the Parent). There are no non-audit services included in this amount.

11. Cash and cash equivalents

Petty cash	1	1	1	1
Cash at bank	5,813	12,951	5,733	12,911
Term deposits	34,000	9,000	34,000	9,000
Total cash and cash equivalents	39,814	21,952	39,734	21,912

Interest earned on cash held with the Commonwealth Bank of Australia ranged between 2.95% and 4.45% (2009: 2.5% to 7.2%). Interest earned on cash held with Suncorp Bank earned between 3.9% and 4.55% (2009: 4.48%). The term deposits earned interest between 4.27% and 6.45%.

Notes to and forming part of the financial statements

for the year ended 30 June 2010

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
12. Other financial assets				
Managed funds - QIC	529,730	497,126	529,730	497,126
Total other financial assets	529,730	497,126	529,730	497,126

Represented by:	Group			
	Annual average return on investments	Treasurer approved strategic asset allocation parameter	Actual allocation	Amount \$'000
QIC investment products as at 30 June 2010				
QIC cash enhanced fund	6.08%	0 – 100%	43.16%	228,650
QIC global credit fund	15.34%	0 – 45%	32.59%	172,641
QIC global credit opportunities fund	21.78%	0 – 20%	8.45%	44,763
QIC property fund	7.90%	0 – 20%	12.62%	66,826
Duration overlay*			3.18%	16,850
Total portfolio	7.78%		100.00%	529,730
QIC investment products as at 30 June 2009				
QIC cash enhanced fund	4.95%	0 – 100%	56.70%	281,854
QIC global credit fund	1.06%	0 – 45%	26.42%	131,355
QIC global credit opportunities fund	(10.46%)	0 – 20%	7.39%	36,759
QIC property fund	(9.45%)	0 – 20%	8.56%	42,569
Duration overlay*			0.92%	4,589
Total portfolio	1.37%		100.00%	497,126

12. Other financial assets (continued)

Represented by:

Parent

QIC investment products as at 30 June 2010	Annual average return on investments	Treasurer approved strategic asset allocation parameter	Actual allocation	Amount \$'000
QIC cash enhanced fund	6.08%	0 – 100%	43.16%	228,650
QIC global credit fund	15.34%	0 – 45%	32.59%	172,641
QIC global credit opportunities fund	21.78%	0 – 20%	8.45%	44,763
QIC property fund	7.90%	0 – 20%	12.62%	66,826
Duration overlay*			3.18%	16,850
Total portfolio	7.78%		100.00%	529,730
QIC investment products as at 30 June 2009				
QIC cash enhanced fund	4.95%	0 – 100%	56.70%	281,854
QIC global credit fund	1.06%	0 – 45%	26.42%	131,355
QIC global credit opportunities fund	(10.46%)	0 – 20%	7.39%	36,759
QIC property fund	(9.45%)	0 – 20%	8.56%	42,569
Duration overlay*			0.92%	4,589
Total portfolio	1.37%		100.00%	497,126

* The Duration Overlay is used by QIC to manage interest rate risk.

Notes to and forming part of the financial statements

for the year ended 30 June 2010

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
13. Receivables				
Accrued interest revenue	308	22	308	22
Debtors	18	82	16	82
Other	1	-	1	-
	327	104	325	104
GST receivable	335	220	334	220
GST payable	(4)	(5)	(4)	(5)
	331	215	330	215
Total receivables	658	319	655	319
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.				
14. Other assets				
Current				
Prepayments	241	249	231	245
Wages paid in advance	84	102	-	2
Operating lease rights	214	-	214	-
Total current	539	351	445	247
Non-current				
Operating lease rights	1,886	-	1,886	-
Prepayments	-	2	-	2
Total non-current	1,886	2	1,886	2
Total other assets	2,425	353	2,331	249
15. Intangible assets				
Software purchased				
At cost	700	672	700	672
Less: accumulated amortisation	(584)	(601)	(584)	(601)
	116	71	116	71
Software internally generated				
At cost	5,455	3,829	5,455	3,829
Less: accumulated amortisation	(1,668)	(1,180)	(1,668)	(1,180)
	3,787	2,649	3,787	2,649
Total intangible assets	3,903	2,720	3,903	2,720

	\$'000	\$'000	\$'000
	Software internally generated	Software purchased	Total
15. Intangible assets (continued)			
Intangible assets reconciliation			
	Group		
2010			
Carrying amount at 1 July 2009	2,649	71	2,720
Acquisitions	1,626	119	1,745
Disposals	-	(2)	(2)
Amortisation	(488)	(72)	(560)
Carrying amount at 30 June 2010	3,787	116	3,903
2009			
Carrying amount at 1 July 2008	2,246	139	2,385
Acquisitions	1,009	2	1,011
Transfers to property, plant and equipment	(65)	-	(65)
Disposals	(80)	-	(80)
Amortisation	(461)	(70)	(531)
Carrying amount at 30 June 2009	2,649	71	2,720
	Parent		
2010			
Carrying amount at 1 July 2009	2,649	71	2,720
Acquisitions	1,626	119	1,745
Disposals	-	(2)	(2)
Amortisation	(488)	(72)	(560)
Carrying amount at 30 June 2010	3,787	116	3,903
2009			
Carrying amount at 1 July 2008	2,246	139	2,385
Acquisitions	1,009	2	1,011
Transfers to property, plant and equipment	(65)	-	(65)
Disposals	(80)	-	(80)
Amortisation	(461)	(70)	(531)
Carrying amount at 30 June 2009	2,649	71	2,720

Notes to and forming part of the financial statements

for the year ended 30 June 2010

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
16. Property, plant and equipment				
Land				
At independent valuation (2009)	-	4,500	-	4,500
	-	4,500	-	4,500
Buildings				
At independent valuation (2009)	-	3,800	-	3,800
	-	3,800	-	3,800
Leasehold improvements				
At cost	2,872	75	2,872	75
Less: accumulated depreciation	(166)	(50)	(166)	(50)
	2,706	25	2,706	25
Plant and equipment				
At cost	972	828	972	828
Less: accumulated depreciation	(719)	(543)	(719)	(543)
	253	285	253	285
Computer hardware				
At cost	1,142	1,116	1,142	1,116
Less: accumulated depreciation	(737)	(613)	(737)	(613)
	405	503	405	503
Total property, plant and equipment	3,364	9,113	3,364	9,113

	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
16. Property, plant and equipment (continued)	Land	Buildings	"Leasehold improvements"	Plant and equipment	Computer hardware	Total
Property, plant and equipment reconciliation	Group					
2010						
Carrying amount at 1 July 2009	4,500	3,800	25	285	503	9,113
Acquisitions	-	-	2,797	144	184	3,125
Disposals	-	-	-	-	(2)	(2)
Transfers to investment property	(3,600)	(1,100)	-	-	-	(4,700)
Revaluation decrements	(900)	(2,606)	-	-	-	(3,506)
Depreciation	-	(94)	(116)	(176)	(280)	(666)
Carrying amount at 30 June 2010	-	-	2,706	253	405	3,364
2009						
Carrying amount at 1 July 2008	6,500	4,100	67	396	574	11,637
Acquisitions	-	-	(5)	73	122	190
Disposals	-	-	-	-	-	-
Transfers from intangible assets	-	-	-	-	65	65
Revaluation increments	(2,000)	(198)	-	-	-	(2,198)
Depreciation	-	(102)	(37)	(184)	(258)	(581)
Carrying amount at 30 June 2009	4,500	3,800	25	285	503	9,113
	Parent					
2010						
Carrying amount at 1 July 2009	4,500	3,800	25	285	503	9,113
Acquisitions	-	-	2,797	144	184	3,125
Disposals	-	-	-	-	(2)	(2)
Transfers to investment property	(3,600)	(1,100)	-	-	-	(4,700)
Revaluation decrements	(900)	(2,606)	-	-	-	(3,506)
Depreciation	-	(94)	(116)	(176)	(280)	(666)
Carrying amount at 30 June 2010	-	-	2,706	253	405	3,364
2009						
Carrying amount at 1 July 2008	6,500	4,100	67	396	574	11,637
Acquisitions	-	-	(5)	73	122	190
Transfers from intangible assets	-	-	-	-	65	65
Revaluation increments	(2,000)	(198)	-	-	-	(2,198)
Depreciation	-	(102)	(37)	(184)	(258)	(581)
Carrying amount at 30 June 2009	4,500	3,800	25	285	503	9,113

Notes to and forming part of the financial statements

for the year ended 30 June 2010

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
17. Investment property				
Land				
At independent valuation (2010)	3,600	-	3,600	-
	3,600	-	3,600	-
Buildings				
At independent valuation (2010)	1,100	-	1,100	-
	1,100	-	1,100	-
Total property, plant and equipment	4,700	-	4,700	-

An independent valuation of land and buildings was performed as at 30 June 2010 by qualified valuer Mr Michael Gannon FAPI of CB Richard Ellis Valuation and Advisory Services. Note 1.(n) explains the basis on which the fair value has been determined. The valuer is registered by the Valuers Registration Board of Queensland, and is a Fellow of the Australian Property Institute.

A property previously held as property, plant and equipment has been reclassified as Investment property. The property was previously owner occupied by the RTA up to 8 March 2010. In accordance with AASB 140 Investment Property, the RTA has reclassified this property from property, plant and equipment to investment property. As at 30 June 2010 there is no lease agreement in place for the property and the property remains untenanted. The remaining balance of the Asset Revaluation Reserve in respect of land and buildings has been transferred to accumulated surplus.

Direct operating expenses primarily for repairs and maintenance on property that did not generate rental income for the period were \$0.044million.

There are no restrictions on the realisability of investment property or remittance of income and proceeds of disposal.

The RTA does not have any contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Investment property reconciliation	Land	Land	Buildings	Buildings	Total	Total
	2010	2009	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Group					
Carrying amount at 1 July 2009	-	-	-	-	-	-
Transfers from property, plant and equipment	3,600	-	1,100	-	4,700	-
Carrying amount at 30 June 2010	3,600	-	1,100	-	4,700	-
	Parent					
Carrying amount at 1 July 2009	-	-	-	-	-	-
Transfers from property, plant and equipment	3,600	-	1,100	-	4,700	-
Carrying amount at 30 June 2010	3,600	-	1,100	-	4,700	-

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
18. Payables				
a. Payables				
Trade creditors	2,988	2,102	2,707	1,882
Payables to RTEO	-	-	2,706	2,356
Deposits, retentions and bonds (non-rental)	-	6	-	6
Payments received in advance	-	36	-	36
International transfers	4	2	4	2
	2,992	2,146	5,417	4,282
b. Rental bonds and unclaimed monies				
Rental bonds	525,218	490,269	525,218	490,269
Australia Post agency net settlement	128	272	128	272
Unclaimed bond monies	5,563	4,659	5,563	4,659
Unclaimed other monies	4	4	4	4
	530,913	495,204	530,913	495,204
Total payables	533,905	497,350	536,330	499,486
19. Accrued employee benefits				
Current				
Annual leave	908	819	17	17
Long service leave	170	155	2	2
Time off in lieu	8	12	-	-
Total current	1,086	986	19	19
Non-current				
Long service leave	1,562	1,334	27	21
Total non-current	1,562	1,334	27	21
Total accrued employee benefits	2,648	2,320	46	40

The discount rates used to calculate the present value of non-current employee benefits is 4.78% (2008/09: 4.69%). All provisions include associated on-costs.

Notes to and forming part of the financial statements

for the year ended 30 June 2010

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
20. Other liabilities				
Current				
Lease incentive	494	-	494	-
Total current	494	-	494	-
Non-current				
Lease incentive	4,360	-	4,360	-
Total non-current	4,360	-	4,360	-
Total other liabilities	4,854	-	4,854	-

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
21. Reserves				
Asset revaluation reserve	-	4,248	-	4,248
Investment fluctuation reserve	-	-	-	-
Total reserves	-	4,248	-	4,248

Movements:

Asset revaluation reserve

Opening balance at 1 July	4,248	6,446	4,248	6,446
Revaluation increments/(decrements)	(1,948)	(2,198)	(1,948)	(2,198)
Transfer to accumulated surplus	(2,300)	-	(2,300)	-
Closing balance as at 30 June	-	4,248	-	4,248

Investment fluctuation reserve

Opening balance at 1 July	-	7,492	-	7,492
Transfer to accumulated surplus	-	(7,492)	-	(7,492)
Closing balance as at 30 June	-	-	-	-

Nature and purpose of reserves

Asset revaluation reserve: Under Treasury's Non-Current Asset Policies (APG11) for the Queensland Public Sector, the Authority must periodically revalue certain classes of assets, principally land, buildings and infrastructure and account for any increase or decrease. A decrease in the value of a class of assets or an individual asset resulting from an asset revaluation, must be debited directly to the RTA's asset revaluation reserve in respect of that class only to the extent of previous revaluation increments in the existing reserve balance.

Investment fluctuation reserve: The RTA ceased the use of the Investment Fluctuation Reserve as at 30 June 2009.

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
22. Accumulated surplus				
Movements:				
Opening balance at 1 July	27,665	36,820	27,665	36,820
Transfer from Investment Fluctuation Reserve	-	7,492	-	7,492
Transfer from Asset Revaluation Reserve	2,300	-	2,300	-
Operating result as per income statement	13,222	(16,647)	13,222	(16,647)
Closing balance as at 30 June	43,187	27,665	43,187	27,665

23. Asset revaluation reserve by class

Asset revaluation reserve reconciliation	Group			Parent		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2010	Land	Buildings	Total	Land	Buildings	Total
Carrying amount at 1 July 2009	3,200	1,048	4,248	3,200	1,048	4,248
Revaluation decrements	(900)	(1,048)	(1,948)	(900)	(1,048)	(1,948)
Transfer to accumulated surplus (Note 17)	(2,300)	-	(2,300)	(2,300)	-	(2,300)
Carrying amount at 30 June 2010	-	-	-	-	-	-
2009						
Carrying amount at 1 July 2008	5,200	1,246	6,446	5,200	1,246	6,446
Revaluation increments	(2,000)	(198)	(2,198)	(2,000)	(198)	(2,198)
Carrying amount at 30 June 2009	3,200	1,048	4,248	3,200	1,048	4,248

Notes to and forming part of the financial statements

for the year ended 30 June 2010

Group		Parent	
2010	2009	2010	2009
\$'000	\$'000	\$'000	\$'000

24. Reconciliation of operating surplus/(deficit) to net cash from operating activities

Reconciliation of cash

Cash & 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	39,814	21,952	39,734	21,912
Balance per cash flow statement	39,814	21,952	39,734	21,912
Net operating surplus/(deficit)	13,222	(16,647)	13,222	(16,647)
Add: depreciation and amortisation	1,226	1,112	1,226	1,112
Non cash leasehold improvements expensed	41	-	41	-
Increase in accrued employee benefits	328	442	6	-
Decrease in other assets	71	5	71	5
Decrease in receivables	-	-	-	-
Decrease in prepayments	27	-	17	-
Increase in trade creditors	709	534	998	2,670
Increase in unclaimed bonds	904	851	904	851
Increase in rental bonds	34,949	58,053	34,949	58,053
Loss on sale of assets	4	80	4	80
Asset impairment	1,558	-	1,558	-
	53,039	44,430	52,996	46,124
Less:				
Decrease in employee benefits provisions	-	-	-	1,838
Decrease in other liabilities	170	-	170	-
Increase in receivables	339	70	336	70
Increase in prepayments	-	167	-	63
Net cash from operating activities	52,530	44,193	52,490	44,153

Assets and liabilities received or donated/transferred by the RTA and its controlled entity and recognised as revenues and expenses are set out in Notes 3 and 5 respectively.

25. Financing arrangements

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

Corporate credit cards	200	200	200	200
QTC overdraft facility	-	20,000	-	20,000

The QTC overdraft facility was cancelled on the 30 June 2010.

Group		Parent	
2010	2009	2010	2009
\$'000	\$'000	\$'000	\$'000

26. 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	90	295	90	295
Plant, equipment and intangible assets	2,395	2,128	2,395	2,128
	2,485	2,423	2,485	2,423
These expenditures are payable:				
Not later than one year	2,485	2,423	2,485	2,423

(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	215	165	215	165
Tenant advice and advocacy service (Qld) grant (TAAS(Q))	5,055	4,054	5,055	4,054
Australia Post	506	2,005	506	2,005
Telecommunications	594	571	594	571
IT contract services	856	776	856	776
Other	982	745	975	732
	8,208	8,316	8,201	8,303
These expenditures are payable:				
Not later than one year	7,538	7,733	7,531	7,721
Later than one year and not later than 5 years	670	583	670	582
	8,208	8,316	8,201	8,303

(c) Finance lease commitments

The Authority 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	22,316	73	22,316	73
Total future minimum lease payments				
Not later than one year	1,901	73	1,901	73
Later than one year and not later than 5 years	8,387	-	8,387	-
Later than 5 years	12,028	-	12,028	-
	22,316	73	22,316	73

In 2009/10, the RTA entered into an office accommodation operating lease agreement for its current premises 179 Turbot St, Brisbane.

The lease agreement is for a term of 10 years and two months with a further term option of three years. Lease payments are fixed with allowance for a fixed percentage escalation on each anniversary of the commencement date of the agreement. The lease contains no restrictions on financing or other leasing activities.

A Lease incentive was included as part of the terms of the lease agreement and allowed for a lessors contribution, rent free period and provision of office fit out costs. The leasehold incentive has been recognised as a liability and will be amortised over the period of the lease as prescribed by Interpretation 115 Operating leases - incentives refer Note 20.

Notes to and forming part of the financial statements

for the year ended 30 June 2010

	Group		Parent	
	2010	2009	2010	2009
Notes	\$'000	\$'000	\$'000	\$'000

27. Financial instruments

(a) Categorisation of financial instruments

The RTA and its controlled entity have the following categories of financial assets and financial liabilities:

Category					
Financial assets					
Cash and cash equivalents	11	39,814	21,952	39,734	21,912
Other financial assets	12	529,730	497,126	529,730	497,126
Receivables	13	350	297	347	297
Total financial assets		569,894	519,375	569,811	519,335
Financial liabilities					
Financial liabilities measured at amortised cost:					
Payables	18	533,905	497,350	536,330	499,486
Total financial liabilities		533,905	497,350	536,330	499,486

(b) Financial risk management

The RTA's activities expose it to a variety of financial risks - interest rate risk, credit risk, liquidity risk and market risk.

Financial risk management is implemented pursuant to government and RTA policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the RTA and its controlled entity.

The RTA and its controlled entity have written principles for overall risk management as well as policies covering specific areas.

The RTA measures risk exposure using a variety of methods as follows -

Risk exposure	Measurement method
Credit risk	Aging analysis, earnings at risk
Liquidity risk	Sensitivity analysis
Market risk	Interest rate sensitivity analysis.

27. Financial instruments (continued)

(c) Credit risk exposure

Credit risk exposure refers to the situation where the RTA or its controlled entity may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

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 and its controlled entity's maximum exposure to credit risk based on contractual amounts net of any allowances:

	Notes	Group		Parent	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Maximum exposure to credit risk					
Financial assets					
Cash and cash equivalents	11	39,814	21,952	39,734	21,912
Other financial assets	12	529,730	497,126	529,730	497,126
Receivables	13	350	297	347	297
Total financial assets		569,894	519,375	569,811	519,335

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

The RTA and its controlled entity manage 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 timely basis. Exposure to credit risk is monitored on an ongoing basis.

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

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 and its controlled entity's documented risk analysis assessment in conjunction with historic experience and associated industry data.

There is no recognised impairment loss for the current year (2009: 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.

Notes to and forming part of the financial statements

for the year ended 30 June 2010

27. Financial instruments (continued)

(c) Credit risk exposure (continued)

Aging of past due but not impaired are disclosed in the following tables:

	Due	Overdue				Total	Total financial assets
	Not over-due	Less than 30 days	30 to 60 days	60 to 90 days	Greater than 90 days		
	Group						
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2010							
Financial assets							
Receivables	336	3	4	-	7	350	350
Total	336	3	4	-	7	350	350
2009							
Financial assets							
Receivables	269	5	23	-	-	297	297
Total	269	5	23	-	-	297	297
	Parent						
2010							
Financial assets							
Receivables	333	3	4	-	7	347	347
Total	333	3	4	-	7	347	347
2009							
Financial assets							
Receivables	269	5	23	-	-	297	297
Total	269	5	23	-	-	297	297

27. Financial instruments (continued)

(d) Liquidity risk

Liquidity risk refers to the situation where the RTA and its controlled entity may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The RTA and its controlled entity are exposed to liquidity risk only in respect of payables. Presently, the RTA or its controlled entity have no borrowings. The RTA did have a facility that was not drawn down, which closed at 30 June 2010 (see note 21).

The RTA and its controlled entity manage liquidity risk on the basis of the funds management strategy and the investment policy. These policies aim to reduce the exposure to liquidity risk by ensuring the RTA and its controlled entity have 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. Cash-flow management is performed daily.

The following table sets out the liquidity risk of financial liabilities held by the RTA and its controlled entity. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the Statement of Financial Position that are based on discounted cash flows.

		Group			
	Notes	\$'000	\$'000	\$'000	\$'000
		Payable in:			
		≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total
2010					
Financial liabilities					
Payables	18	533,905	-	-	533,905
Total financial liabilities		533,905	-	-	533,905
2009					
Financial liabilities					
Payables	18	497,350	-	-	497,350
Total financial liabilities		497,350	-	-	497,350
		Parent			
	Notes	\$'000	\$'000	\$'000	\$'000
		Payable in:			
		≤ 1 year	> 1 year ≤ 5 years	> 5 years	Total
2010					
Financial liabilities					
Payables	18	536,330	-	-	536,330
Total financial liabilities		536,330	-	-	536,330
2009					
Financial liabilities					
Payables	18	499,486	-	-	499,486
Total financial liabilities		499,486	-	-	499,486

Notes to and forming part of the financial statements

for the year ended 30 June 2010

27. Financial instruments (continued)

(e) Market risk

The RTA and its controlled entity do not trade in foreign currency and are not exposed to material commodity price changes. The RTA is exposed to interest rate risk through its large investment with the Queensland Investment Corporation (QIC) and other short term investments with financial institutions. Through the investment strategy with QIC, the RTA is exposed to the risk of movements in domestic and international bond yields. A derivative overlay account exists to protect the portfolio from interest rate risk.

Due to the volatility experienced during 2008/09 in the financial markets, the RTA and its controlled entity continually assessed interest rate exposure and the impact of market volatilities. With funds manager QIC, the RTA was provided with investment return sensitivity analysis periodically throughout the year. 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 investment return across the complete portfolio had varied + or - 50 basis points, the outcome for the RTA and its controlled entity is summarised in the table below:

	\$'000	\$'000	\$'000	\$'000	\$'000
		Return on earnings 50 basis points			
		less than actual		greater than actual	
	Carrying amount	"Operating surplus/ (deficit)"	Equity	"Operating surplus/ (deficit)"	Equity
Group					
2010 Interest rate risk					
Investment earning variation	529,730	(2,649)	(2,649)	2,649	2,649
Actual result		13,222	43,187	13,222	43,187
Changed result		10,573	40,538	15,871	45,836
2009 Interest rate risk					
Investment earning variation	497,126	(2,516)	(2,516)	2,516	2,516
Actual result		(16,647)	31,913	(16,647)	31,913
Changed result		(19,163)	29,397	(14,131)	34,429
Parent					
2010 Interest rate risk					
Investment earning variation	529,730	(2,649)	(2,649)	2,649	2,649
Actual result		13,222	43,187	13,222	43,187
Changed result		10,573	40,538	15,871	45,836
2009 Interest rate risk					
Investment earning variation	497,126	(2,516)	(2,516)	2,516	2,516
Actual result		(16,647)	31,913	(16,647)	31,913
Changed result		(19,163)	29,397	(14,131)	34,429

(f) Fair value

All financial assets and liabilities recognised in the statement of financial position, 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.

	Group		Parent	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
28. Reconciliation of financial instruments to net assets				
Net financial assets				
Financial assets	569,894	519,375	569,811	519,335
Financial liabilities	(533,905)	(497,350)	(536,330)	(499,486)
	35,989	22,025	33,481	19,849
Non-financial assets and liabilities:				
Accrued revenues	308	22	308	22
Other assets	2,425	353	2,331	249
Property, plant and equipment	3,364	9,113	3,364	9,113
Investment property	4,700	-	4,700	-
Intangible assets	3,903	2,720	3,903	2,720
Accrued employee benefits	(2,648)	(2,320)	(46)	(40)
Other liabilities	(4,854)	-	(4,854)	-
Net assets as per statement of financial position	43,187	31,913	43,187	31,913

Notes to and forming part of the Financial Statements

for the year ended 30 June 2010

29. Board disclosures

Section 471 of the RTA Act provides for the RTA to have a Board of Directors. There is no legislative requirement for the RTEO to have a Board.

The 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 Employment and Industrial Relations Procedures: "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 re-appointment"
Mr John Charles Battams (Chair)	December 2004	April 2007, April 2010
Ms Helen Roslyn Wallace	April 2004	April 2007, April 2010
Mr Roy Charles Ware	April 2005	April 2007, April 2010
Ms Lee Banfield	June 2009	April 2010
Ms Deirdre Coghlan	April 2010	
Mr Brad Currie	April 2010	
Ms Deborah Duffy	April 2010	

Board members remuneration	Group		Parent	
	2010	2009	2010	2009
The number of Board members who received or were due to receive total remuneration on balance date:	No.	No.	No.	No.
Remuneration band:				
\$0 to \$999	2	1	2	1
\$1,000 to \$9,999	8	5	8	5
\$10,000 to \$19,999	-	1	-	1
Total	10	7	10	7

	\$'000	\$'000	\$'000	\$'000
The total remuneration paid to Board members:				
Mr John Charles Battams (Chair)	8	10	8	10
Ms Catherine Elizabeth Bavage*	5	7	5	7
Mr Darrell Brady*	5	6	5	6
Ms Luella Winifred Camp*	5	5	5	5
Ms Helen Roslyn Wallace	6	6	6	6
Mr Roy Charles Ware	5	8	5	8
Ms Lee Banfield	7	-	7	-
Ms Deirdre Coghlan	1	-	1	-
Mr Brad Currie	1	-	1	-
Ms Deborah Duffy	1	-	1	-
Total Board member payments	44	42	44	42

* Retired April 2010

2009/10 board fees include fees of \$41,794 and superannuation of \$2,633. During 2008/09, board fees include fees of \$38,973 and superannuation of \$3,016.

29. Board disclosures (continued)

(b) Other transactions with Board members and Board related entities

The RTA has registered dealings with another entity of which a Board member has a related interest as declared in the Conflicts of Interest Register. This relates to grant funding provided to The Department of Communities to support the Tenant Advice and Advocacy Service(Qld) program as stated in Note 7 and Note 26(b) of which Ms Banfield is an employee.

(c) Board members appointments and memberships

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

Mr John Charles Battams

Chair, Residential Tenancies Authority

Member, Audit and Risk Committee, Residential Tenancies Authority
General Secretary, Queensland Teachers' Union
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
Chair, Sunsuper
Member, Sunsuper Investment Committee
Chair, Sunsuper Financial Services Pty Ltd

Mr Roy Charles Ware

Board Member, Residential Tenancies Authority

Chair, Audit and Risk Committee, Residential Tenancies Authority
Director, Aquila Consulting Pty Ltd
Director, C Management Services Pty Ltd
Deputy Chancellor, Central Queensland University Council
Director, Fitzroy Park Investments Pty Ltd
Director, Fitzroy Park Pty Ltd
Deputy Chairman, Gladstone Ports Corporation Limited
Board Member, Professional Engineers of Queensland
Consultant, Robert Harris & Co, Solicitors, Yeppoon
Director, Rockhampton Regional Development Limited

Ms Helen Roslyn Wallace

Board Member, Residential Tenancies Authority

Secretary, The Property Owners' Association of Queensland
Member, The Unit Owners Association of Queensland

Ms Lee Banfield

Board Member, Residential Tenancies Authority

Manager, TAAS(Q) Sunshine Coast Housing Company
Treasurer, Tenants' Union Queensland Steering Committee
SC Delegate, Queensland Shelter

Appointments during 2009/10:

Ms Deirdre Coghlan

Board Member, Residential Tenancies Authority

Life Member, Queensland Shelter
Member, Queensland Tenants Union
Member, Bric Housing Company
Member, Indigenous Housing Sub-Committee Bric Housing
Residential Caretaker, Bric Housing Units - Margate

Notes to and forming part of the financial statements

for the year ended 30 June 2010

29. Board disclosures (continued)

Ms Deborah Duffy

Board Member, Residential Tenancies Authority

Director, REIQ

Director, Cairns Golf Club

Director, KAM3 Pty Ltd

Mr Bradley Currie

Board Member, Residential Tenancies Authority

Manager, Mununjali Housing & Development Co.

Chair, SEQ Indigenous Housing Organisation

Retirements during 2009/10:

Ms Catherine Elizabeth Bavage

Board Member, Residential Tenancies Authority

Chair, Audit and Risk Committee, Residential Tenancies Authority

Ms Luella Winifred Camp

Board Member, Residential Tenancies Authority

Mr Darrell Brady

Board Member, Residential Tenancies Authority

Member, Real Estate Institute of Queensland

Director, Queensland Real Estate Training Pty Ltd

30. Contingent assets and liabilities

The RTA and its controlled entity are not aware of any contingent assets or liabilities at reporting date or at the date of this financial report.

31. Events occurring after balance date

The RTA and its controlled entity are not aware of any event occurring after balance date that would impact this financial report.

Management certificate

This consolidated general purpose financial report has been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (Qld) (the Act), relevant sections of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 62(1)(b) 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 and its controlled entity for the financial year ended 30 June 2010 and of the financial position of the Authority and its controlled entity at the end of that year.



Fergus Smith

General Manager



John Battams

Chairperson, RTA Board

19 August 2010

Independent auditor's report

To the Board of the Residential Tenancies Authority

Report on the Financial Report

I have audited the accompanying financial report of Residential Tenancies Authority, which comprises the statement of financial position as at 30 June 2010 and the statement of comprehensive income, statement of changes in equity and statement of cash flows 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 consolidated entity comprising the Residential Tenancies Authority and the entities it controlled at the year's end or from time to time during the financial year.

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 Accountability Act 2009* and the *Financial and Performance Management Standard 2009* including compliance with 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 the *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 controls 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 and 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 *Auditor-General Act 2009* promotes the independence of the Auditor General and all 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.40 of the *Auditor-General Act 2009* –

- (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 Residential Tenancies Authority and the consolidated entity for the financial year 1 July 2009 to 30 June 2010 and of the financial position as at the end of that year.



J A LATIF (CA)

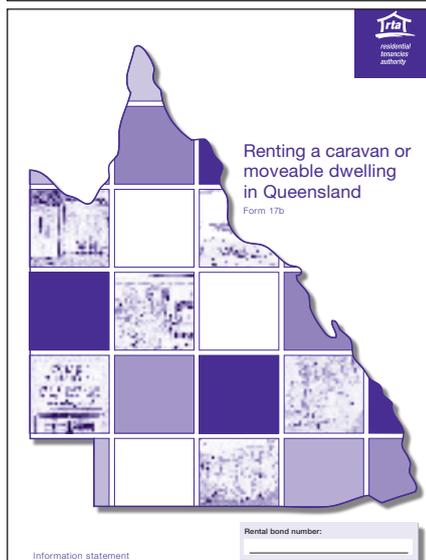
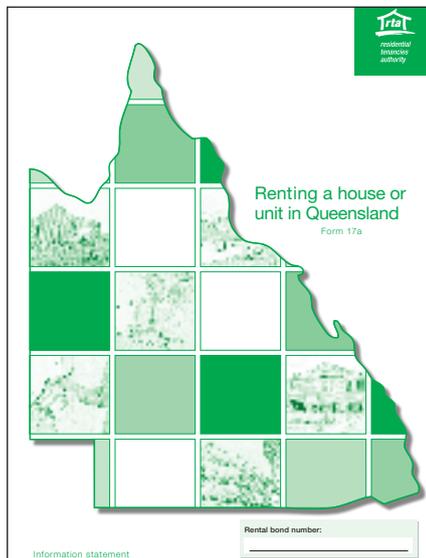
Delegate of the Auditor-General of Queensland

19 August 2010
Brisbane

RTA publications

RTA forms

RTA forms are available from: www.rta.qld.gov.au / 1300 366 311 / 3216 2258 (fax) / Level 23, 179 Turbot St Brisbane / most Australia Post outlets around Queensland.



Forms for residential tenancies

Use these forms if you are either living in or managing townhouses, 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 #
Form 9	Entry Notice
Form 10	Notice of Lessor's Intention to Sell Premises
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 house or unit in Queensland
Form 17b	Renting a caravan or moveable dwelling in Queensland
Form 18a	General Tenancy Agreement
Form 18b	Moveable Dwelling Tenancy Agreement
Form 19	Notice to Vacate from Mortgagee to Tenant/s #

Available online only

Forms for rooming accommodation

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 Provider/Agent
Form R6	Change of Shared Bond Arrangement
Form R7	Part-Payment of Rental Bond
Form R8	Provider/agent Signature Record
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	Rooming accommodation Agreement
Form R19	Notice to Vacate from Mortgagee to Resident/s #

Available online only

The following RTA publications are available online at www.rta.qld.gov.au or by calling 1300 366 311.

Update newsletter #
Managing general tenancies in Queensland
Renting rooming accommodation in Queensland
Managing rooming accommodation in Queensland
RTA Strategic Plan
RTA Annual Reports (1999 – 2008/09) #

Available online only

RTA publications

RTA fact sheets

The RTA publishes a range of fact sheets addressing specific aspects of residential tenancies and can be downloaded from 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
Ending a tenancy agreement
Entry and privacy
Frequently asked questions
General tenancy agreements
Goods and documents left behind
Important renting information for natural disaster victims
Moveable dwelling park closure
Moveable dwelling tenancy agreements
Police powers to deal with a serious nuisance
Rent payments and holding deposits
Rental bond
Rental premises – use, condition and repairs
Renting in Queensland
Renting law changes
Share homes, co-tenancies and sub-letting
Smoke alarms
Tenancy databases
Water charging

Fact sheets for rooming accommodation

Dispute resolution services
Ending a rooming accommodation agreement
Entry and privacy
Forms
Goods and documents left behind
House rules
Power to remove a resident
Residents with impaired capacity
Rent
Rental bond
Renting law changes for rooming accommodation
Rights and responsibilities of residents and providers/agents
Rooming accommodation agreements
Rooming accommodation coverage

Whether you are a tenant, resident, service provider, real estate agent, property manager or lessor, everything you need to know about renting a property in Queensland is available on the RTA website.

The website contains all forms and fact sheets required throughout a tenancy and useful information such as quarterly median rents, hints on how to resolve disputes and information for school students.

Fact sheet
Information on renting rooming accommodation

Rental bond

The Residential Tenancies and Rooming Accommodation Act 2008 (the Act) provides rules for collecting rental bonds in rooming accommodation, such as boarding houses, hostels, and on and off-campus student accommodation in Queensland.

Rental bond
A rental bond is money paid by the resident to the provider/agent at the start of the Rooming Accommodation Agreement (Form R18), as financial security in case the resident breaches the terms of their agreement. A key deposit is considered a rental bond. It is not compulsory to charge a rental bond. Where a rental bond is charged, the provider/agent must lodge it with the Residential Tenancies Authority (RTA) within 10 days of receipt. If the provider/agent receives the rental bond by instalments, different rules apply. All initial rental bond payments to the RTA must be made with a completed Bond Lodgement (Form R2).

Initial rental bond payments to the RTA must be made with a completed Bond Lodgement (Form R2).
If the weekly rent is \$500 or less, then no more than 4 weeks rent can be charged as a rental bond. There is no bond limit where the weekly rent is more than \$500, if a rental bond is charged, a Condition Report (Form R1) must also be completed.

Rental bond instalments
A provider/agent may receive a rental bond in part payments, or instalments. Once all instalments have been received, the provider/agent must give the rental bond to the RTA within 10 days.

If the agreement is ended before all of the rental bond instalments are received, the provider/agent must give the instalments received to the RTA within 10 days of the agreement ending along with a completed Bond Lodgement (Form R2).
If the agreement has not ended and the provider/agent has still not received the final instalment three months after receiving the first rental bond instalment, the provider/agent must give the instalments received to the RTA within 10 days along with a completed Bond Lodgement (Form R2). Any subsequent instalments received must be paid to the RTA within 10 days of being received along with a Part Payment of Rental Bond (Form R7).

How is bond money refunded?
See over the page for a chart outlining how the RTA deals with bond refunds.

Dealing with bond disputes
Disagreements may arise between residents and providers/agents about rental bonds. Residents and providers/agents can usually resolve their disputes by talking to each other and finding out about their rights and responsibilities under the Act. If this does not work, the RTA's Dispute Resolution Service may be able to help. If the resident and the provider/agent still can not agree after dispute resolution, an application may be made to the Tribunal for a decision.

Accessing RTA forms
The RTA approved forms can be obtained by:
• visiting the RTA website at www.rta.qld.gov.au
• calling the RTA on 1300 366 311
• faxing a Request for Forms to 3216 2258
• visiting the RTA office at level 23, 179 Turbot St Brisbane

A selection of the most commonly used forms are also available at Australia Post outlets around Queensland.

If you need interpreting assistance to help you understand this information, contact TIS on 1314 95 for the cost of a local call and ask to speak to the Residential Tenancies Authority (RTA).

Disclaimer:
This fact sheet is prepared for information only. The Residential Tenancies and Rooming Accommodation Act 2008 is the primary source of the law and takes precedence over this information should there be any inconsistency between the Act and this fact sheet.

July 2010
Version 412/05

Fact sheet
Information on renting a house, unit, caravan or moveable dwelling

Water charging

Lessors (landlords) are allowed to pass on the full water consumption costs to tenants provided all the minimum criteria have been met.

What are the minimum criteria for water charging?
Lessors are able to pass on the full water consumption costs to tenants if:
• the rental premises are individually metered (or water is delivered by vehicle), and
• the rental premises are water efficient, and
• the tenancy agreement states the tenant must pay for water consumption.

What is a water efficient rental premises?
Water efficient rental premises are where required internal cold water taps, showerheads and toilets meet the performance standards for a three star WELS rating or higher. These water efficiency levels may be achieved through installing three star WELS rated products or through the use of add on devices, such as aerators or flow restrictors. For more information about the WELS scheme visit www.waterrating.gov.au.

Water efficient devices	Minimum water efficient standard required
• Internal cold water taps and single mixer taps (excluding bathtub taps and taps for appliances)	A maximum flow rate of nine litres per minute.
• Showerheads	A maximum flow rate of nine litres per minute.
• Toilets	A dual flush function not exceeding six point five (6.5) litres on full flush and three point five (3.5) litres on half flush and a maximum average flush volume of four litres (based on the average of one full flush and four half flushes).

Important points to note:

- tenants and lessors/agents should negotiate obligations at the start of the tenancy and put these in the tenancy agreement, for example, if the lessor is to contribute to water costs.
- it may be helpful to contact the local council about average local water consumption.
- water billing periods are unlikely to align with tenancy agreements. It's important that both the tenant and the lessor/agent make note of the water meter readings on the condition reports at the start and end of the tenancy to calculate water consumption.
- lessors will receive the water bill, pay the full amount and provide their tenants with a copy of any water bills or evidence of water consumption to verify the amount to be charged. Tenants will not be billed directly by water supply authorities.
- tenants have one month to pay the agreed amount for water consumption after the lessor provides evidence of the costs to the tenant. The lessor/agent can not require the tenant to pay more than the billable amount, or charge tenants late fees.
- if the tenant and lessor/agent cannot agree about water charges, the RTA's Dispute Resolution Service may be able to assist.



The RTA website offers comprehensive information for all parties involved in renting a home.



Sign up for *Update*



Update, the RTA's electronic newsletter keeps clients up to date with all the news about renting or managing a rental property in Queensland.

To sign up for *Update*, go to www.rta.qld.gov.au/subscribe.cfm

www.rta.qld.gov.au

Glossary of terms

ABS	Australian Bureau of Statistics
ACC	Agency Consultative Committee
ACPACS	Australian Centre for Peace and Conflict Studies
ARC	Audit and Risk Committee
BMS	Building management system
BSA	Building Services Authority
CALD	Culturally and linguistically diverse
CPI	Consumer Price Index
DIAC	Department of Immigration and Citizenship
ECB	Ecumenical Coffee Brigade
EEO	Equal employment opportunity
Ekka	Brisbane's Annual RNA Show
FTE	Full time equivalent (staff)
IPMSC	Information and Portfolio Management Steering Committee
MDA	Multicultural Development Association
NAIDOC	National Aboriginal and Islander Day Observance Committee
PABX	Private Automated Branch Exchange
PEP	Process Evaluation Procedure
PMO	Portfolio Management Office
QCAT	Queensland Civil and Administrative Tribunal
QIC	Queensland Investment Corporation
RNA	Royal National Association
RSPCA	Royal Society for Prevention of Cruelty to Animals
RTA	Residential Tenancies Authority
SPEAK	Skills, performance, expertise, attitude, knowledge
TAAS(Q)	Tenant Advice and Advocacy Service (Queensland)
TAFE	Technical and Further Education
The Act	<i>Residential Tenancies and Rooming Accommodation Act 2008</i>
TIS	Translating and Interpreter Service
UNIFEM	United Nations Development Fund for Women

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



Telephone: 1300 366 311
Facsimile: 07 3046 5220
www.rta.qld.gov.au

Level 23, 179 Turbot Street
Brisbane
Queensland 4000

GPO Box 390
Brisbane
Queensland 4001