

Annual Report 2011-12
Shaping our future together



Making a positive difference
in Queensland

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The RTA provides tenancy information and support to people from across Queensland. The people pictured on this cover represent the diversity of Queensland's residential rental sector.

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ISSN 1838-8248

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About this annual report

The Residential Tenancies Authority (RTA) Annual Report 2011-12 presents performance information for the period 1 July 2011 to 30 June 2012.

The report contains a record of RTA activities and achievements for the 2011-12 financial year against the objectives developed during strategic and operational planning. The report also summarises our future priorities and challenges.

In line with the RTA Strategic Plan 2011-14 this report presents the RTA's performance against our three priorities: our clients, our sector and our organisation.

Each section of the report provides an overview of key information and is colour coded for ease of navigation. A glossary of terms and an index are available at the end of the report.

Shaping our future together is the theme of this annual report. It reflects our Strategic Plan 2011-14, while acknowledging our commitment to our clients and illustrating our organisation's sense of momentum.

Shaping > we are imagining, developing and building a positive future for the RTA.

Our future > we are working to build an RTA which puts clients first, works together as ONE RTA, takes pride and ownership, and has a flexible, capable workforce.

Together > we work together as ONE RTA, we engage with clients, and we consult with the sector.

Making our report accessible

The Queensland Government and the RTA are committed to providing accessible services to Queenslanders from 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.

Feedback

For more information on this report or to provide feedback, please contact the Manager, Communication and Education on **07 3046 5670** or email **annualreport@rta.qld.gov.au**.

The Residential Tenancies Authority is a self-funded regulatory body which is committed to making a positive difference to Queensland's residential tenancy sector.

Around one third of Queensland households rent their homes, and we provide support and information for everyone involved in the sector including tenants, rooming accommodation residents, lessors, rooming accommodation providers, real estate agents, onsite managers and caravan park managers.

As an organisation, the RTA values:

- putting clients first
- working together as ONE RTA
- taking pride and ownership in our work
- building a flexible, capable workforce



Highlights 2011-12

Business transformation progressed

- > explored business technology solutions which will enable us to engage with our clients using modern, more convenient service channels (page 70)

Launched change strategies

- > embarked on extensive organisational change management agenda to prepare the RTA for the introduction of new technologies and the improved ways we will provide client services (page 70)

Listened to our clients

- > Client Satisfaction Survey revealed clients' overall satisfaction rating of 8.2/10 (page 31)

Redeveloped our website

- > gave clients fast access to important tenancy information (page 37)

Supported the community

- > provided \$1m to the Lady Bowen Trust for housing support for the homeless (page 55)

Financial overview

	2010-11 (\$'m)	2011-12 (\$'m)	change %
Operating revenue	45.97	39.64	(13.8%)
Operating expenses	35.09	33.80	(3.7%)
Total assets	651.56	727.79	11.7%
Total liabilities	597.48	667.88	11.8%
Value of bonds held	581.47	651.59	12.1%

(see *Our finances* pages 79-117)

Around one third of Queensland households rent their homes, and the RTA provides support and information for everyone in the sector.

About us

Our purpose is to support the Queensland residential rental sector through accessible, flexible and targeted services within a legislative framework.

The Residential Tenancies Authority (RTA) is a Queensland Government statutory authority which administers the *Residential Tenancies and Rooming Accommodation Act 2008* (the Act). The RTA supports the Queensland residential rental sector through accessible, flexible and targeted services.

Our operational revenue is sourced from the investment of rental bonds.

We work collaboratively with all sector groups including tenants, property managers and lessors, community and industry stakeholder groups and the Queensland Government.

Our history

The RTA was established as the Rental Bond Authority under the *Rental Bond Act 1989*, offering primarily a rental bond custodial service. The introduction of the *Residential Tenancies Act 1994* widened services to include tenancy information and conciliation. The name also changed to the Residential Tenancies Authority. The *Residential Services (Accommodation) Act 2002* broadened tenancy legislation to cover rooming accommodation. Both it and the *Residential Tenancies Act* were replaced by the current Act in July 2009.

Our structure

The RTA is responsible to the Minister for Housing and Public Works. As a statutory authority, the RTA is governed by a Board of Directors (page 8). The board consists of a Chair and six directors. Board members are appointed by the Governor in Council for three-year terms.

Our role

The RTA's main functions are to:

- provide tenancy information
- manage rental bonds
- provide a dispute resolution service
- investigate offences under the Act and prosecute where appropriate
- provide community education
- provide advice to the Minister about residential tenancy and rooming accommodation issues and the operation of the Act
- monitor sector data and conduct research.

Our client services

Providing tenancy information

We are committed to delivering high-quality tenancy information to our clients. Our website rta.qld.gov.au gives fast access to detailed tenancy information, we provide a range of targeted printed materials, and our Client Contact Centre provides accurate, personalised information to clients on tenancy matters (see page 33).

Managing rental bonds

To ensure fairness for everyone who rents or manages rental properties, under Queensland tenancy laws rental bond money paid by tenants at the start of a tenancy must be lodged with the RTA. The RTA holds the bond for the duration of the tenancy and refunds the money as directed, once a tenancy has ended (see page 38).

Resolving tenancy disputes

The RTA provides a free dispute resolution service to help resolve tenancy disagreements between tenants and lessors or their agents, reducing the need for applications to the Queensland Civil and Administrative Tribunal (QCAT). Impartial RTA conciliators use conciliation techniques which include informing people of their rights and responsibilities to assist them in making informed decisions (see page 40).

Conducting investigations

The RTA plays a key role in ensuring compliance with Queensland's rental laws, and investigates alleged offences against the Act committed by tenants, lessors or their agents. All relevant people are given an opportunity to respond to an allegation and to provide information before the RTA decides on the most appropriate compliance action (see page 44).

Providing community education

The RTA takes a whole-of-organisation approach to community education, and all RTA client services work together to educate people on their tenancy rights and responsibilities. The RTA keeps people informed about sector news and helps clients and community groups understand the rules for renting through a range of publications (page 55) and our program of outreach events (page 54).

See page 21 for our organisational chart.



Level 23, 179 Turbot Street, Brisbane. We are committed to providing high quality tenancy information to our clients.

Our vision

Making a positive difference to the Queensland residential rental sector.

We are committed to achieving excellence in service delivery and the client experience, where trust, respect and impartiality are valued, and to inform, consult and engage with our clients and stakeholders in a transparent, ethical and responsive way.

Shaping our future together to enhance an evolving rental sector (see inside cover)

The RTA has embarked on a mission to improve service delivery to our clients by introducing new service-driven business systems. During this period of change, we will continue to work with the sector and develop our organisation with the aim of providing the best possible service to our clients.

Realising our vision

The RTA employs a number of strategies to realise our commitment to make a positive difference to the Queensland residential rental sector.

Our strategic plan identifies three major areas of focus: our clients, our sector and our organisation.

Our clients (see page 29)

The RTA strives to meet the diverse and evolving needs of the residential rental sector through:

- providing tenancy information, bond management, dispute resolution, and investigation services that are relevant, accurate, timely, accessible, efficient and impartial
- increasing the awareness of the RTA's role and improving the accessibility of services
- promoting compliance with Queensland's tenancy laws.

Our sector (see page 47)

The RTA supports and enhances effective legislative and policy frameworks, and collaborates with stakeholders to sustain a growing sector by:

- regulating the sector through a policy framework that considers the rights and responsibilities of all parties, and its impact on the sector
- engaging with stakeholders to identify emerging trends and improve understanding of issues affecting the rental sector
- providing support through education, industry analysis and funding initiatives.

Our organisation (see page 59)

The RTA continues to focus on building an innovative, capable and flexible organisation that undertakes sustainable operation in a healthy and motivational work environment. The RTA is committed to high standards of corporate governance and accountability through:

- building a high-performance organisation based on a foundation of leadership, collaboration, planning and communication
- identifying and implementing sustainable improvements in corporate governance standards, systems and processes to support business outcomes, add value and deliver measurable benefits
- maintaining financial accountability, sustainability and integrity.

Into the future

Organisational Change Management introduced

As part of the RTA's Strategic Plan 2011-14, the RTA continued its commitment to supporting staff through this period of change by introducing the Organisational Change Management (OCM) strategy (see page 70). We will continue to provide quality services to the growing and increasingly diverse residential tenancy sector, meeting clients' needs and keeping pace with technology.

In 2011-12 the strategy oversaw the introduction of the Six Change Initiatives, which provide a framework for organisational improvements to be made to ready the RTA for the introduction of new business improvement solutions (see page 71). The initiatives were developed using feedback from our staff and clients and they adhere to the RTA Strategic Plan.

Service delivery model

The RTA continues to review business processes and client service systems to ensure quality is maintained as our client base grows (page 70). We are refining service delivery channels to strengthen our client focus, enabling the RTA to stay responsive to a changing world.

Enabling technology

The RTA is committed to developing online capability and service delivery options to continue to meet changing sector expectations.



General Manager Fergus Smith

Chair’s message

Strategic direction

We are on track to meet the RTA's goal of making a positive difference to the residential rental sector, as outlined in the RTA's Strategic Plan. This annual report demonstrates how the organisation continues to meet the plan's objectives of delivering high quality services to Queenslanders.

Transforming the ways we do business

To meet the needs of a growing and evolving rental sector, the RTA continues to invest in the sourcing and development of new technological systems. These systems will improve the RTA's online capabilities and they will enable the organisation to engage with clients in modern, flexible ways.

Managing change

The RTA has also developed a change management agenda to prepare our organisation for the introduction of new technologies. It is vital that we use the opportunities technology provides us to transform how we do business with our clients.

Financial sustainability

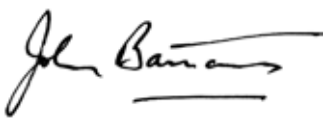
The RTA maintained a sound financial position. Careful management of investments combined with responsible control of expenditure resulted in a surplus of \$5.841m from continuing operations despite the difficult global economic environment.

The year ahead

The Government has initiated a review of the *Residential Tenancies and Rooming Accommodation Act 2008* to be undertaken by the RTA in the coming year. Three years after the Act's introduction, it is important to ensure it continues to meet its intended objectives and remains relevant in a changing sector.

In April, the RTA Board welcomed the appointment of the Honourable Dr Bruce Flegg as Minister for Housing and Public Works, and we appreciated the opportunity to discuss sector issues with him at our meeting in May. I would also like to acknowledge the contribution of Karen Struthers, former Minister for Community Services and Housing and Minister for Women.

My thanks to the people who represent the organisations in our sector, the Board, General Manager Fergus Smith and his Executive team. I would also like to thank RTA staff for their ongoing dedication and commitment to supporting Queensland's residential rental sector.



John Battams
RTA Chair



RTA Chair John Battams

‘It has been an exciting time to be Chair of the RTA Board, as the organisation develops its capability to deliver improved client services.’

General Manager’s message

Developing our technological future

Providing clients with flexible, modern services is a major priority for the RTA. To achieve this aim, we have streamlined our business processes before we introduce new business solutions. Replacing our ageing systems with new, integrated technologies will allow us to engage with clients in ways that better meet their needs.

ONE RTA

We are transforming the ways we do business and improving the ways we work together as an organisation. We have developed the framework for our future organisational culture. It confirms our commitment to putting clients first as we build a flexible, capable workforce, take pride and ownership, and work together as ONE RTA. We introduced the Organisational Change Management strategy to support staff through the change process, and our newly developed Emerging Leaders Program gives opportunities to the next generation of leaders.

Listening to our clients, listening to our staff

In order to put clients first we must understand their needs. We listened to our clients' views on the services we provide in the 2012 Client Satisfaction Survey. Within the RTA, we asked staff to provide feedback on our operations and work environment in the Workforce Attitude Survey. The surveys showed high satisfaction levels from our clients and staff, and we will use the feedback to further improve our services.

Acknowledgement

The Board continued to provide a crucial leadership and governance role, for which I thank them. Each day, RTA staff do their best to help make a positive difference to the residential rental sector and I am proud to work alongside them.



Fergus Smith
General Manager



RTA General Manager Fergus Smith

‘The 2011-12 financial year continued to be a period of transformation for the RTA, as we shaped our future and strengthened our commitment to our clients.’

RTA Board

The RTA Board of Directors provides ongoing leadership to Queensland's residential tenancy sector by establishing the RTA's strategic direction and corporate governance standards (see page 18).¹



John Battams BEc, Dip Ed, (CHAIR)
Mr Battams was appointed Chair of the RTA Board on 4 December 2004.
An experienced director, Mr Battams is also the President of the Queensland Council of Unions, the Deputy Chair of Sunsuper and Director of Skills Queensland.
From 1990 to 2011, he also served as the General Secretary of the Queensland Teachers' Union, amassing significant knowledge of the state through regular trips to remote and provincial areas of Queensland.



Deirdre Coghlan BSW
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, the precursor to the RTA. She brings detailed knowledge of the Queensland rental sector through her state-wide community housing experience and participation in housing policy development.
Ms Coghlan has been a member of a number of Ministerial advisory boards on community housing and boarding houses and is a life member of Queensland Shelter.
She brings 25 years experience working in government and community sectors to the board.



Bradley Currie Dip Bus Mgt, Dip Com Mgt
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 the 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.



Deborah Duffy JP (CDec), MAICD
Ms Duffy was appointed as a director on 7 April 2010.
Ms Duffy is also a director of the Real Estate Institute of Queensland.
She has more than 26 years experience in the real estate sector, winning numerous accolades including Property Manager of the Year.
Ms Duffy brings a wealth of knowledge of Queensland's rental sector to the board, in particular, housing issues in North Queensland.



Roslyn Wallace
Ms Wallace was appointed as a director on 7 April 2004.
She brings expertise gained as a member and Secretary of the Property Owners' Association of Queensland (POAQ), and as a previous member of the RTA's Industry Development Forum. Ms Wallace is also a member of the Unit Owners' Association of Queensland.
Ms Wallace brings first-hand knowledge of the sector through her experience in managing rental properties, and providing support to POAQ members with rental concerns.



Charles Ware BA LLB (Hons), MBus, LL.M, FAICD
Mr Ware was appointed as a director on 14 April 2005.
He brings a wide 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, and member of the Central Queensland Hospital and Health Board.
Mr Ware also has 20 years experience as a partner in a private Central Queensland legal practice, with expertise in property, commercial, corporate and local government practice.

¹ Lee Banfield was appointed to the RTA Board on 4 June 2009 and resigned on 31 December 2011 (see Organisational processes on page 18).

Five-year performance summary

Our clients	2011-12	2010-11	2009-10	2008-09	2007-08
Client Contact Centre enquiries	351,490	349,026	352,103	350,713	346,010
Bond lodgements ¹	260,699	256,748	245,080	241,835	235,160
Number of bonds held ² (30 June)	492,213	461,844	433,061	417,875	399,533
Value of bonds held ³ (\$'m 30 June)	651.59	581.47	525.22	490.27	432.21
Investigations commenced	646	509	523	589	666
Requests for dispute resolution	22,077	21,122	19,628	19,276	18,188
Client satisfaction results (Rating/10)	8.2	N/A	8.4	N/A	8.2
Website visits ⁴	1,059,857	1,049,361	908,836	762,524	658,776

Our sector	2011-12	2010-11	2009-10	2008-09	2007-08
Briefing notes and Ministerial correspondence	143	125	115	137	133
Response to rental sector data enquiries	387	268	233	276	318
TAAS(Q) funding (\$'m)	5.00	4.35	3.44	3.20	3.20

Our organisation	2011-12	2010-11	2009-10	2008-09	2007-08
Employees (full time equivalent)	177	183	177	167	150
Staff training (total hours)	1,341	10,848 ⁵	2,991	4,290	3,365
Client and stakeholder engagement (as indicated in the Australasian Reporting Awards)	Gold	Gold	Gold	Gold	Gold
Quality assurance certification	Achieved	Achieved	Achieved	Achieved	Achieved
Operating surplus/deficit (\$'m)	5.84 Surplus	10.89 Surplus	13.22 Surplus	16.65 Deficit	1.06 Deficit
Accumulated surplus (\$'m)	59.91	54.07	43.19	27.67	36.82

¹ Includes bond lodgements for general tenancies and rooming accommodation
² Includes bonds held for general tenancies and rooming accommodation
³ Excludes unclaimed bond money and Australia Post settlements
⁴ Past figures have been adjusted to reflect the new measurement method
⁵ All staff participated in *Building our future* workshops

Performance overview

Objectives		Targets 2011-12
Our clients	Deliver effective client services	Achieve 85% of calls answered within two minutes.
		Maintain 95% of Australia Post refunds processed within 15 minutes.
		Maintain 85% of non-Australia Post refunds processed within two working days.
		Maintain 65% of disputes resolved through participation in conciliation.
		Maintain 80% of all disputes finalised within 28 days of receipt.
		Maintain 90% of investigations finalised within six months of commencement.
	Understand our clients and respond to their needs	Conduct 2012 Client Satisfaction Survey. Progress redevelopment of core client business systems to enhance client services. Redesign and restructure the website.
Our sector	Educate and inform the sector on their rights and responsibilities	Continue to undertake education activities with a focus on regional areas.
		Conduct a funding round for the restructured community education grants program.
	Lead and support the sector through regulation, education, consultation, research and policy development	Implement and monitor operation of new legislative provisions on tenancy databases.
		Conduct quantitative research on impact on tenants and lessors of notice periods for ending tenancies at the end of a fixed term.
		Engage with sector stakeholders and maintain quality consultative processes.
		Maintain high quality and regular sector data reporting and analysis.
		Provide funding of \$5m to the Department of Communities for the TAAS(Q) program to provide community-based tenancy information and advice.
Our organisation	Build the RTA's capability to deliver services now and into the future	Progress procurement of systems to support client service delivery.
		Develop a leadership development program.
		Relocate and upgrade RTA's disaster recovery facility and implement a full test.
	Maintain accountability and financial sustainability	Review implemented project management methodology and processes.
		Conduct a carbon audit and continue to implement environmentally friendly initiatives such as waste and energy reduction.
		Achieve target of 6.5% return on investment.

Achieved 2011-12	Aims 2012-13
✓ Achieved. 85.0% of calls answered within two minutes (page 33).	Maintain 85% of calls answered within two minutes.
✓ Exceeded. Average of 98.7% of Australia Post refunds processed within 15 minutes (page 39).	Implement transition to RTA processing all bond transactions.
✓ Exceeded. Average of 97.9% of non-Australia Post refunds processed within two working days (page 39).	Maintain 85% of bond refunds processed within two working days.
✓ Exceeded. 76.2% of disputes were resolved through participation in conciliation (page 40).	Achieve increased target of 70% of disputes resolved through participation in conciliation.
✓ Exceeded. 80.9% of disputes finalised within 28 days of receipt (page 40).	Maintain 80% of all disputes finalised within 28 days of receipt.
✓ Exceeded. 95.8% of investigations finalised within six months of commencement (page 44).	Maintain 90% of investigations finalised within six months of commencement.
✓ 2012 Client Satisfaction Survey (page 31).	Consider survey findings in development of 2012-13 operational plans.
✓ External consultation undertaken with sector (page 70).	Develop new business processes to support improved client services.
✓ RTA website reviewed, restructured, rewritten and relaunched (page 37).	Improve access to tenancy information.
✓ 41 education and outreach events held across the state, with 17 in regional areas (page 54).	Continue to undertake outreach and education activities with a focus on regional areas.
✓ Provided funding to support education projects for vulnerable community groups (page 55).	Investigate new ways to provide community education support, targeting groups who may experience difficulties accessing our mainstream information and education channels.
✗ Amendment Bill reviewed by Parliamentary Committee but lapsed in 2012 when Parliament dissolved due to state election (page 51).	Review the <i>Residential Tenancies and Rooming Accommodation Act 2008</i> .
✓ Conducted research on notice periods for ending tenancies at the end of a fixed term (page 51).	Consider monitoring and research data in review of the Act.
✓ Held three Industry Development Forums and liaised with a range of industry and government groups (page 52).	Continue to engage with sector stakeholders and maintain quality consultative processes.
✓ Published a range of rental data on the website and supplied rental data to industry stakeholders (page 54).	Maintain high-quality and regular sector data reporting and analysis.
✓ Funding of \$5m provided to the Department of Housing and Public Works for the community-based TAAS(Q) program (page 55) and provided one-off funding of \$1m for the Lady Bowen Trust for housing support for the homeless (page 55).	Provide funding of \$7.04m to the Department of Housing and Public Works to support affordable and social housing schemes.
✓ Request For Offer released to market (page 70).	Enter into a contract with a vendor to design and build new business solution.
✓ Developed and implemented an Emerging Leaders Program (page 66).	Progress Organisational Change Management strategy.
✓ Disaster recovery technology infrastructure re-located to a commercially run data centre at Eight Mile Plains. A full business continuity test and business impact analysis, impact scales, threat assessments and critical business functions list conducted (page 72).	Ensure the RTA is prepared for a crisis event with program of system specific and scenario testing.
✓ Established Portfolio Management Office within Business Improvement and Support unit (page 72).	Ensure RTA project methodology is in line with Queensland Government requirements.
✗ Carbon audit deferred but recycling and other environmental initiatives encouraged (page 68).	Continue to implement environmentally friendly initiatives such as waste and energy reduction and maintain organisational awareness.
✗ 5.4% return on investment (see page 79).	Achieve target of 5.0% return on investment.

Queensland’s residential rental sector

The RTA’s rental bond database is the most comprehensive, up-to-date and reliable source of information on Queensland’s private residential rental sector. Economists, analysts, property managers, developers, employers and governments use the RTA’s 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 currently the *Residential Tenancies and Rooming Accommodation Act 2008* (the Act). The Act covers general tenancies (including moveable dwellings and aged rental) and rooming accommodation. This report includes rental bond data on general tenancies and rooming accommodation.

Bond records include 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. property manager/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 bonds held)
- management of tenancies (who manages properties)
- rents charged for various types of dwellings (ranges and medians).
















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

The size of the sector

As at 30 June 2012 the RTA was holding 482,954 rental bonds for general tenancies (452,878 at 30 June 2011), excluding rooming accommodation (see page 13). The number of bonds held grew by 30,076 or 6.6% in 2011-12. There was an increase in the number of new bonds lodged and bonds refunded. The difference between the number of bonds lodged and refunded remained high, reflecting continued growth of bonds held. In 2011-12 there were 250,178 new lodgements and 220,144 refunds for general tenancies

Bond lodgements, refunds and bonds held (at 30 June) – general tenancies

2007-08 to 2011-12

	Bond refunds	Bond lodgements	Bonds held
2007-08	 211,870	 228,125	 394,183
2008-09	 216,478	 233,844	 411,542
2009-10	 221,598	 235,210	 425,115
2010-11	 217,821	 245,634	 452,878
2011-12	 220,114	 250,178	 482,954

In the past five years, the growth in the number of bonds held is indicative of changes in the Queensland residential rental sector, influenced by a range of factors including population growth, demand, dwelling type and household type.

Population growth continues

In the 12 months to December 2011, Queensland’s share of Australia’s total population growth was 22.0% or 66,493 people, according to data from the Office of Economic and Statistical Research.

At this time, Queensland had an estimated population of 4.5 million or 20.1% of the nation’s total population. Net interstate migration (an average net gain of 174 per week) and net gains from overseas migration accounted for 12.2% and 42.5% of growth respectively while 45.3% was as a result of natural population increase (births less deaths).

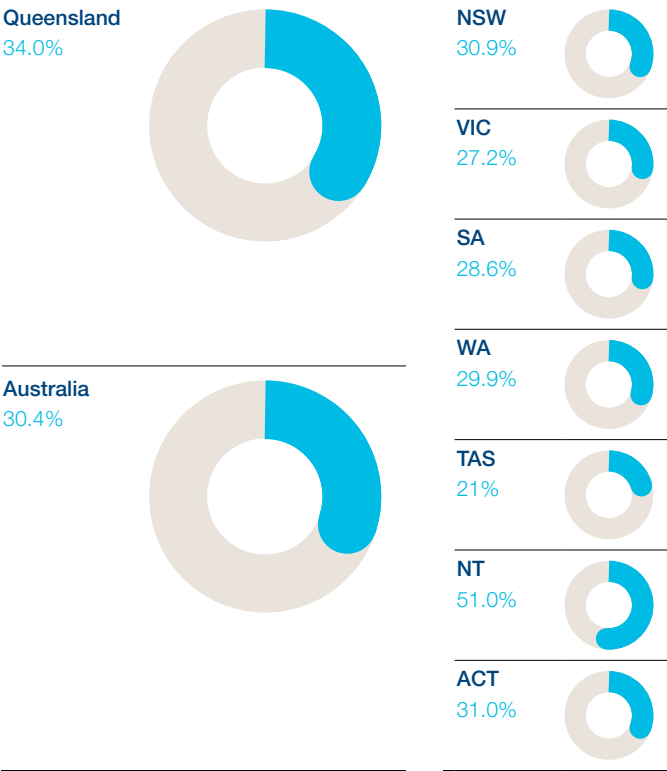
Demand for rental housing

The Queensland population increase translates to greater demand for housing. According to the *2011 Census of Population and Housing*, there were 513,415 rented dwellings in Queensland, approximately 60,818 more than in 2006. The census results indicate rented dwellings account for 34.0% of the 1,510,204 occupied dwellings for which tenure was known. Results from previous censuses in 2006 and 2001 showed that 32.3% and 30.1% respectively of total dwellings were being rented at that time.

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

Proportion of occupied private dwellings rented

2011



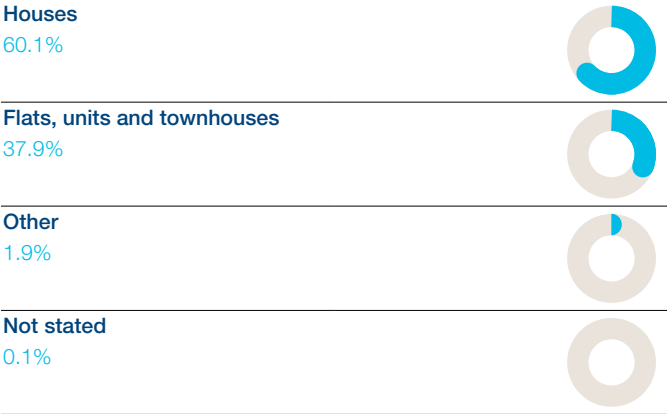
For occupied private dwellings where tenure was known. Source: ABS, 2011 Census of Population and Housing

What are people renting?

Data from the 2011 census showed that at the time of the census 311,801 houses were being rented in Queensland, representing 60.1% of all rented dwellings as shown in the table below. Rented flats, units and townhouses numbered 194,162, representing 37.9% of all rented dwellings.

Types of dwellings rented in Queensland

2011



Source: 2011 Census of Population and Housing

Rooming accommodation

From late 2002, the RTA began administering legislation that required the lodgement of rental bonds for defined rooming accommodation such as private boarding houses, supported accommodation and student accommodation.

As at 30 June 2012, the RTA held 9,259 rental bonds for rooming accommodation, an increase of 3.3% over the past 12 months. In 2011-12, there were 10,521 new bond lodgements and 10,423 refunds, a decrease in lodgements over the past year of 5.3% while refunds remained about the same. Rooming accommodation bonds account for 1.9% of all bonds held by the RTA. The average bond value was \$701 as at 30 June 2012.

An analysis of rooming accommodation rental bond data shows approximately three-quarters of these bonds are related to student accommodation, with 88.4% of all rooming accommodation concentrated in South East Queensland.

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 2012 is presented on page 17. It shows that 70.0% 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, 66.9% of the state’s population (*2011 Census of Population and Housing*) and 62.1% of rented dwellings, not including those rented from the State Housing Authority, were in this area.

Brisbane and Gold Coast Statistical Divisions saw the largest growth in bonds with a combined increase of 17,480 bonds, representing 54.7% of the total growth. Other areas experiencing noticeable growth include the Fitzroy region with growth of 2,043 or 6.7% and the Mackay region which grew by 1,894 or 6.2%. Growth was also experienced by other regions including the Far North 5.9%, Wide Bay-Burnett 5.3%, and Northern and Darling Downs with 4.9%.

Who is renting in Queensland?

Of the 513,415 rented properties in Queensland (*2011 Census of Population and Housing*), 87.6% were being rented in the private sector.

According to the *2009-10 ABS Survey of Income and Housing*, household types most likely to rent are:

- group households, of which 63.5% are renters. Group households represent 3.6% of all households.
- one parent and dependents households, of which 66.9% are renters. These household types represent 6.1% of all households.
- lone person households, of which 39.2% are renters. They represent 22.5% of all households.

Lone person households where the occupant is aged less than 35 account for 64.7% of renters and make up 21.9% of all renting lone households. The household type least likely to rent is couples aged 65 years and over, representing 8.3% of all households and only 2.5% of all renters.

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 2011-12, the median length of time bonds were held was 12.3 months, a slight increase on 2010-11. Further, 47.4% were finalised within 12 months (48.3% in 2010-11). In comparison, the median length of time bonds were held in 2007-08 was 11.9 months with 50.7% of bonds being finalised within 12 months.

Tenancies in houses are generally longer than those in flats/units with the median length of time bonds were held in 2011-12 for flats/units being 12.0 months (11.8 months in 2010-11), compared to 13.6 months for houses (13.5 months in 2010-11).

The median length of time rooming accommodation bonds were held was 5.8 months in 2011-12.

Median length of tenancies (months)
2007-08 to 2011-12



Who manages properties?

Information recorded on bond lodgement forms received by the RTA in 2011-12 shows that 90.5% of rental properties were being managed by licensed real estate agents, 8.6% were managed by lessors or owners with 0.9% being managed by other parties.

Rents – capital cities

According to data published by the Real Estate Institute of Australia for the March 2012 quarter, at \$360 per week, Brisbane is ranked fifth in terms of median weekly rents for three bedroom houses after Darwin, Canberra, Perth and Sydney. Also, at \$365 per week, Brisbane is ranked fifth in terms of median weekly rents for two bedroom flats and townhouses after Sydney, Canberra, Perth and Darwin.

Rents – whole of Queensland

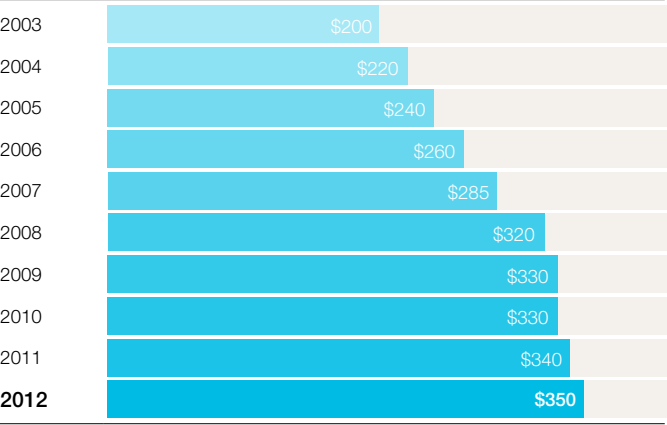
The weekly rent applicable when a bond is lodged (generally at the beginning of a tenancy) is recorded in the RTA's rental bond database. An analysis of bond lodgement data during a period of time provides a guide to sector rents at that time.

The following chart lists median weekly rents for Queensland from 2003 to 2012. There have been steady increases since 2003. June 2011 to June 2012 saw an increase from \$340 to \$350, or 2.9%.

Median weekly rents

2003 to 2012

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



Rents – centres throughout Queensland

Queensland is made up of a number of housing markets based on factors such as location and dwelling type. Listed on the next page are changes in median weekly rents in selected areas of Queensland between June 2011 and June 2012 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, the Gold Coast and Sunshine Coast. However, areas which experienced the most significant rent increases for houses and flats were Gladstone, Roma and Mackay. Mount Isa also saw a significant increase in rents for houses. Most other areas experienced either smaller rent increases or no change.

Significant increases in the regional areas are generally related to resource-driven activities.

Vacancy rates tighten

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 assist the analysis of the rental market. Vacancy rates are published for broad geographic areas each quarter. Unpublished results are available at local government level annually.

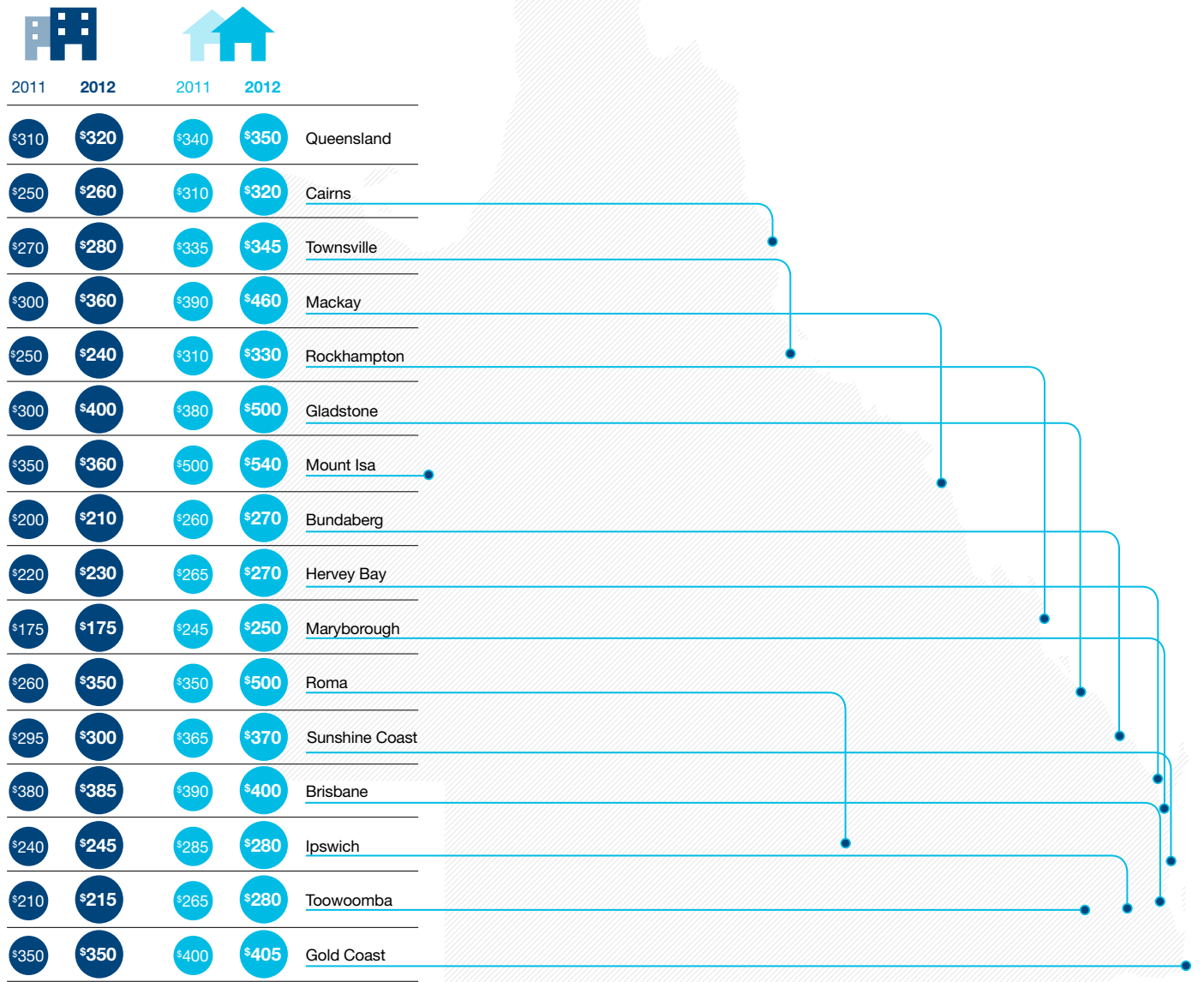
Results from the June 2012 survey show that the overall vacancy rate for rental dwellings in Queensland was 3.1%. This figure was lower than June 2011 (3.8%) indicating that vacancy rates have tightened over the last 12 months.

Brisbane had the lowest vacancy rates with inner Brisbane at 2.1% (2.2% in June 2011), remainder of Brisbane 2.4% (2.6% in June 2011) and Brisbane surrounds 2.8% (4.2% in June 2011).

The vacancy rate on the Gold Coast decreased from 5.5% in June 2011 to 4.5% in June 2012 and the rest of Queensland also decreased from 4.0% to 3.3% over the same time period.

Median weekly rents

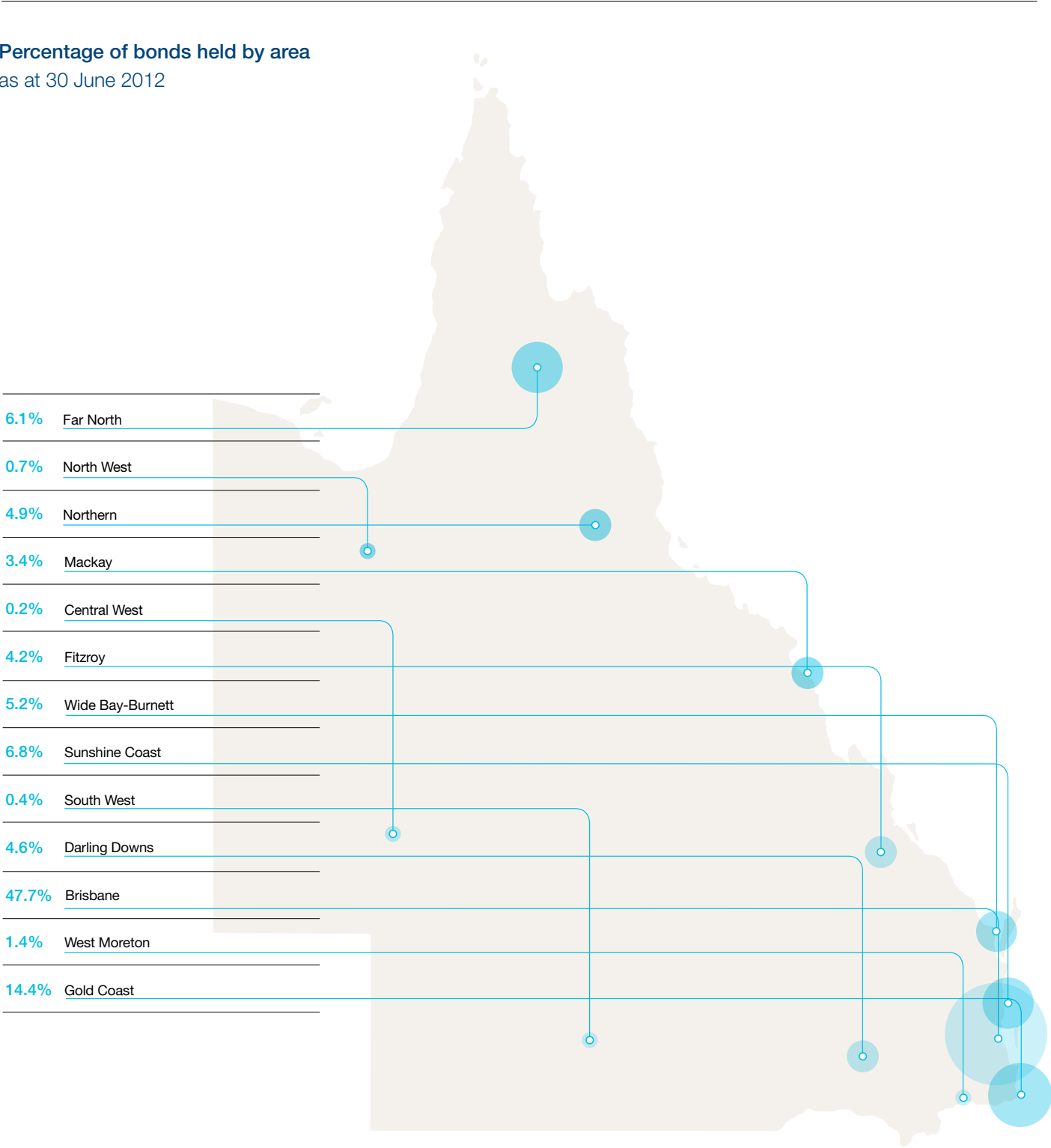
based on new bonds lodged in June quarters 2011 and 2012



Two bedroom unit
Three bedroom house



Percentage of bonds held by area
as at 30 June 2012



Corporate governance

The RTA is committed to transparency, accountability and trustworthiness.

Strategic planning

The RTA Strategic Plan 2011-14 was implemented on 1 July 2011 after extensive consultation with key stakeholders and staff. The plan charts our course, and it confirms the RTA's vision: making a positive difference to the Queensland residential rental sector.

Commitment to our clients lies at the heart of our strategic plan. To deliver the best possible services to our clients, we are transforming the ways we do business, with the introduction of new technologies led by the Core Client Services Program (CCSP) (see page 70).

To prepare for the technological change, we have embarked on a program of organisational change.

In 2011-12, the RTA developed and implemented the Organisational Change Management (OCM) program, to support the changes our organisation will be making over the coming years. We are reviewing our business processes and their supporting systems, developing our online capabilities, and refining our organisational culture.

The RTA has developed our new strategic plan for 2012-16, which supports the Queensland Government's 'Getting Queensland back on track' initiative. The RTA is revitalising frontline services by renewing and expanding our service delivery channels and services through the introduction of improved business systems.

These developments are among the most significant in our organisation's history.

Corporate governance framework

The RTA's corporate governance framework describes current management structures and standards as well as internal and external mechanisms used to ensure the organisation meets statutory obligations and controls required for effective corporate governance.

This framework provides a reliable and easily accessible system to store and retrieve the latest versions of policies, procedures, registers, plans, reports and charters. The framework connects all documents which outline the way the RTA is governed and managed in order to achieve its strategic goals and operate with integrity. The framework is regularly reviewed and updated to reflect the changing needs of the organisation.

The RTA is also committed to the Government's focus on accountability and will continue to improve corporate governance processes to support business outcomes and ensure accountability (see Organisational processes).

The RTA's corporate governance framework is based on the Queensland Auditor-General's model and involves two key elements:

Organisational processes

management structure and management standards

Accountability processes

internal accountability and external accountability.

Corporate governance framework diagram



We acknowledge that the key to corporate governance is transparency in decision making, and we place a high priority on due diligence and compliance.

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

Rigorous internal monitoring and review mechanisms combined with external accountabilities provide assurance that the RTA will achieve its objectives.

Organisational processes

The RTA Board

The Governor in Council appoints the RTA Board, comprising a Chair and six directors, for a term of three years. The current term for directors expires in April 2013. Ms Lee Banfield resigned from her position as Director in December 2011 after two-and-a-half years service. Once a new director has been appointed, that person will participate in an induction program focused on governance, RTA operations and meeting key senior officers.

Enhancing Board skills

The RTA Board's directors reflect the diversity of the residential rental sector. Collectively they bring a wealth of knowledge and expertise in sector advocacy, property management, commercial, corporate and community service. The diversity and skills of the directors enable effective and strategic governance of the organisation.

In February 2012, the board adopted a professional development initiative to identify development opportunities. Directors were asked to undertake a self-assessment of their skill sets as individuals, and then as a group. As a result of this analysis, the board undertook professional development on investment management.

Remuneration for board directors (see page 113) is determined through Cabinet approved procedures, administered by the Department of Justice and Attorney-General and is based on the board's functions and powers.

Staying in touch with the sector

Each year the board conducts one of its meetings in regional Queensland, to allow the board to meet locals and give people a chance to have their say on renting issues affecting their local community. The board met in Cairns on 18 October 2011, where it hosted a lunch with local sector stakeholders.

The role of the board

The board operates in accordance with its responsibilities outlined in the Act. The RTA Board Charter sets out the powers reserved to the board, delegations made to management, and provides clarity in the respective roles and responsibilities of the board, Chair 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.

Board meetings

2011-12

Directors	Full Board		Audit and Risk Committee (ARC)	
	Attended	Scheduled	Attended	Scheduled
John Battams	11	11	4	4
Lee Banfield*	6	6	–	–
Deirdre Coghlan	11	11	–	–
Bradley Currie	9	11	–	–
Deborah Duffy	10	11	–	–
Roslyn Wallace	11	11	4	4
Charles Ware	11	11	4	4

*Resigned 31 December 2011

The General Manager's role

The General Manager provides strategic policy advice to the Chair, board and Minister on the operation and monitoring of Queensland residential tenancy legislation.

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

The General Manager provides monthly 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. Senior executives attend board meetings as required.

Audit and Risk Committee

The 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 ARC Charter, reviewed annually, clearly defines the roles and responsibilities of its members.

The ARC consists of Mr Charles Ware (ARC Chair/RTA director), Ms Roslyn Wallace (RTA director), Mr John Battams (ex-officio member/RTA Chair) and Ms Cathy Blunt (independent member), and the committee meets on a quarterly basis.

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. The committee is also responsible for monitoring overall legal and regulatory financial compliance.

The ARC approved the implementation of the Internal Audit Strategic Plan 2011-14. The plan was developed in conjunction with HLB Mann Judd, the RTA's internal auditors. The purpose of the plan is to maintain accountability, identify business processes to be audited each financial year, and ensure compliance (see *Achievements of the ARC* on page 21).

The Auditor-General appointed MSI Taylor as the 2011 external auditor for the RTA and the Residential Tenancies Employing Office (RTEO) in accordance with section 30 of the *Auditor-General Act 2009*. Internal and external auditors attend each ARC meeting.

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.

Audit recommendations are reviewed quarterly, based on the audit reports received. These recommendations are monitored closely by the Executive team and updates on progress are discussed prior to each ARC meeting.

Audit recommendations are a standing agenda item for all ARC meetings.



1 The RTA Executive team (see page 63) meets weekly to ensure strategic priorities and operations are on track. L-R: Janet Arber, Ray Rapinette, Melanie Banner, Fergus Smith, Kylie Lewis and David Breen. Absent: Kimberley Wilson

2 Janet Arber and Melanie Banner

3 David Breen, Kylie Lewis, Fergus Smith

Achievements of the ARC

In 2011-12, the ARC:

- reviewed and endorsed the annual financial statements
- reviewed and endorsed the annual Workers Compensation Declaration
- drafted a calendar aligned to the Internal Audit Strategic Plan 2011-14 to track tasks for completion throughout the year
- reviewed and assessed performance of internal auditors against the annual audit plan
- reviewed audits and risks associated with the Core Client Services Program
- reviewed the Risk Management Framework and Risk Register
- reviewed the ARC Charter
- reviewed and endorsed recommendations to improve business efficiency.

The ARC adhered to the terms of its charter, having due regard to the Queensland Treasury’s Audit Committee Guidelines.

Identifying risk

The RTA maintains a comprehensive risk framework and risk register, to closely monitor identified risks (see page 24). All staff are responsible for identifying potential risks to the RTA using a process based on the AS/NZ Standard 4360:2004 Risk Management Standard.

Organisational structure

The RTA has a functional structure aligned to the organisation’s strategic plan, which is aimed at maximising the operational capability and capacity of management and staff (see diagram below).

RTA Executive team

The General Manager leads the RTA Executive team (page 63) which is composed of the divisional executive managers. The team meets weekly to ensure strategic priorities and operations of the RTA are on track.

Consultative Committee

The RTA Consultative Committee provides a forum to discuss employee relations within the RTA, and to ensure that local issues are managed at the level that they arise. The committee is made up of representatives of Together Queensland (formerly known as the Queensland Public Sector Union) and RTA management. The committee meets quarterly.

Information Portfolio and Management Steering Committee

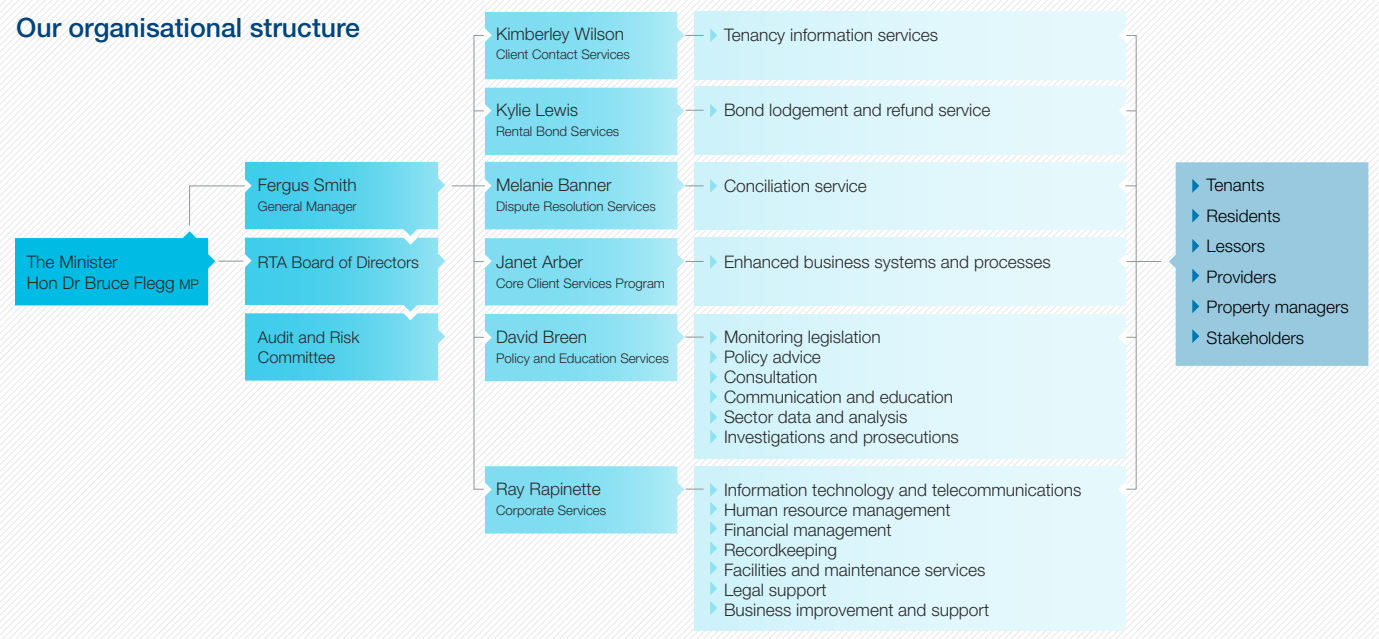
The Information Portfolio and Management Steering Committee (IPMSC) is chaired by the General Manager and attended by senior management.

An external independent representative also sits on the IPMSC, providing independent expert 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 achieve their objectives of supporting the business and corporate needs of the RTA.

Management standards

Management standards are informed by ethical standards such as the RTA Code of Conduct, as well as a range of government and organisational policies, procedures, guidelines and standards. Management standards are reviewed on an annual basis.



Ethical standards

The RTA's Code of Conduct provides a framework for ethical conduct based on principles and values of the *Public Sector Ethics Act 1991*. The code guides staff to carry out their duties with integrity and impartiality, accountability and transparency, to promote the public good and commit to the system of government.

Recordkeeping

The RTA has policies and procedures in place – including a Records Management Policy – to inform staff of recordkeeping practices and responsibilities. Recordkeeping requirements are considered in all aspects of service delivery and planning, and when implementing business requirements.

Each business unit throughout the RTA is responsible for its own recordkeeping, while centralised control rests with the Recordkeeping Unit, which oversees the records management program.

In 2012 a Recordkeeping Project was initiated. Its three goals were to implement the Business Classification Scheme, complete the Records Management Framework policies and procedures, and develop a core Retention and Disposal Schedule to submit to Queensland State Archives for approval.

Once the core Retention and Disposal Schedule is approved by Queensland State Archives the RTA will be able to lift its temporary freeze on the disposal of records. Mapping of the Business Classification Scheme to the Retention and Disposal Scheme and the Information Security Classification Scheme is also being undertaken. The RTA's Vital Records Policy and the Information Security Classification Scheme, which support compliance with Information Standard: 40 Recordkeeping (IS40), are also being updated.

Queensland Government Reconciliation Action Plan

The RTA has identified a cultural awareness training activity for staff to better understand, respect and appropriately work with, and deliver services to, people from diverse backgrounds including Aboriginal and Torres Strait Islander peoples and communities. Further strategies are also being developed for inclusion in the organisation planning to strengthen our commitment to the Reconciliation Action Plan.

Right to information

The *Right to Information Act 2009* (RTI Act) is the Queensland Government's approach to providing the community with access to information controlled by government. The RTA supports the principles of the RTI Act by operating in an open, transparent and accountable manner, while protecting the privacy of clients and staff. In 2011-12, the RTA received three applications for access to documents related to bonds, dispute resolution and investigations under the RTI Act.

Access to the RTA's information is also released under the RTA's Administrative Access Policy. This policy complements the RTI Act and the *Information Privacy Act 2009* (IP Act) and increases the RTA's openness, transparency and accountability.

It provides clients and members of the public with access to certain types of information held by the RTA without having to apply through the formal RTI Act or the IP Act application process. Where possible the RTA will release information under its Administrative Access Policy.

Information privacy

The IP Act gives all members of the public a legally enforceable right to access and amend their personal information. The IP Act also requires the RTA to safeguard the personal information that it holds and disclose such information only to the individual to whom that information relates, where consent has been provided, or where it is required and authorised under law. In 2011-12 the RTA received 11 applications from individuals for access to documents containing their personal information, and responded to more than 18,000 requests to disclose personal information to other organisations under law.

Public interest disclosure

The *Public Interest Disclosure Act 2010* provides the legislative direction on the reporting of suspected wrongdoing or danger that is in the public interest. The RTA is committed to ensuring the organisation has a culture that encourages the disclosure of official misconduct. All employees have an ethical responsibility to report actual or suspected instances of official misconduct. The RTA received no disclosures during the period 1 July 2011 to 30 June 2012.

Business planning

The RTA has an established business planning process as shown in the diagrams on page 25. The RTA Board sets the strategic direction of the organisation, which is documented and formalised through the RTA Strategic Plan. (Download the RTA Strategic Plan from our website rta.qld.gov.au).

The 2011-14 Strategic Plan details a range of strategies to achieve our commitment to make a positive difference to the rental sector. It also identifies the RTA's continuing strategic priorities relating to our clients, our sector and our organisation.

The annual report, which is structured according to these strategic priorities, is the main vehicle for reporting the RTA's progress. The RTA 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 four corporate support plans:

- Communications Strategic Plan
- Workforce Management Plan
- Information Technology and Telecommunications Strategic Plan
- Financial Management Strategic Plan.

In conjunction with their line managers, all staff complete annual performance development plans, in line with organisational plans, to identify their contribution to planning and performance, and to determine their professional development requirements.



Business Improvement and Support Acting Manager Belinda Urquhart talks with Corporate Services Executive Manager Ray Rapinette.

Financial planning

The annual budget process runs in parallel with the business planning cycle. Business priorities are identified in the planning cycle and help determine budget allocations. The board endorses the upcoming year’s budget in April for Ministerial approval.

Operational performance monitoring and environmental scanning are a core part of the business planning cycle. The board and Executive team review performance to date as well as sector trends and stakeholder issues, particularly at the start of the planning cycle, to inform future financial planning.

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 for internal reallocations to be made within budgets, ensuring performance targets are achieved. The RTA reports to public stakeholders through the annual report, service delivery statements and associated Parliamentary Estimates processes.

The Executive team (see page 63) is responsible for the implementation of this cycle and ensuring that RTA staff manage their individual roles and contribute to the process. The General Manager reports to the board and, with the Executive team, monitors progress during the cycle. Senior management, team leaders and senior staff meet monthly to ensure a team approach to decision making and strategic policy implementation.

Accountability processes

Internal and external accountability

Internal accountability processes include planning mechanisms for the management of risk and the associated internal audit function, the flow of information to and from the Executive team, and engagement with stakeholders. External accountability involves accountability to the Queensland Parliament, including the provision of financial and non-financial reporting.

Risk management

The RTA’s risk management framework is designed to assist staff in implementing 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 contributing factors and mitigating controls. The register is reviewed quarterly by the RTA’s full management team and is tabled at each ARC meeting.

Legislative Compliance Register

The Legislative Compliance Register is a risk management tool designed to monitor compliance. The aim of the register is to identify and to develop strategies to mitigate risks associated with non-compliance. The register is maintained and updated quarterly to include relevant government standards and to document the RTA’s actions towards achieving compliance.

Internal audit

The ARC contracted HLB Mann Judd to provide internal audit services; 2011-12 was the second year of a three-year term.

The purpose of the internal audit function is to assist the RTA to achieve strategic goals by providing an independent review of identified areas. The reviews assist with:

- reliability and integrity of financial and other operating information
- adequacy and effectiveness of systems and controls
- compliance with policies, laws and regulations
- prevention of fraud and corruption
- safeguarding of assets
- risk management planning
- economic and efficient use of resources.

The RTA’s internal audit function is maintained under the Financial and Performance Management Standard 2009.

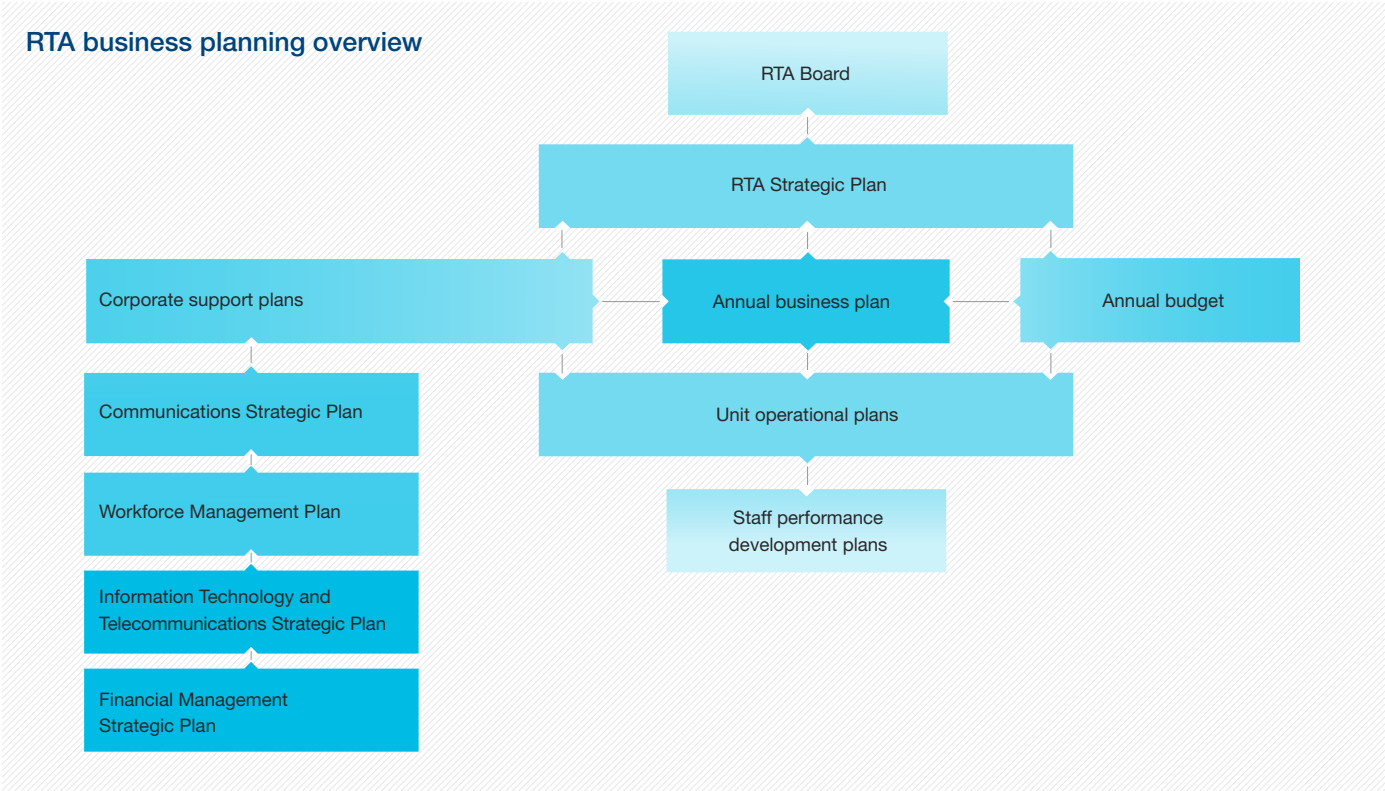
Under the standard, the RTA:

- maintains an internal audit charter to govern the operation of the internal audit function
- prepares strategic and annual internal audit plans
- reports to the ARC about each audit report and performance against the audit plan.

The internal audit methodology complies with the requirements of the Institute of Internal Auditors of Australia, the standards set down by the Auditing and Assurance Standards Board, and the Institute of Chartered Accountants of Australia. Where other standards impact on the work of auditors, compliance is a priority. One example of these types of standards is the Risk Management Standard AS/NZS 4360:2004.

The Internal Audit Strategic Plan 2011-14 sets out internal audits that were conducted during the financial year 2011-12.

RTA business planning overview



RTA business planning cycle

Client needs

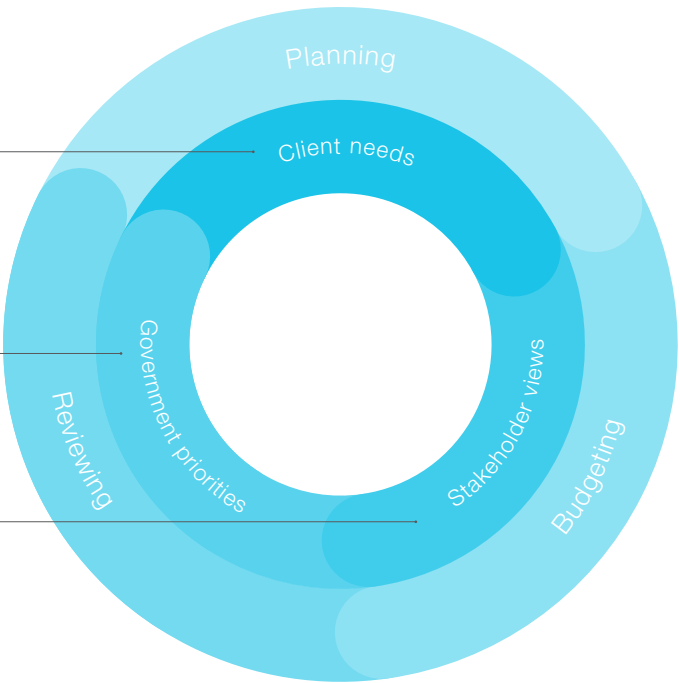
The RTA uses all interactions with clients as opportunities to gain feedback on current services and suggestions for future developments, as well as conducting periodic client satisfaction surveys.

Government priorities

The RTA’s business planning seeks to enhance its services to further support Government objectives and in particular, contribute to the Government’s aim to revitalise frontline services.

Stakeholder views

The RTA works in partnership with all stakeholder groups supported by systematic consultation and monitoring of sector issues.



(see Business planning on page 22)

Audit reviews conducted

Review of bond refunds

- concluded that the RTA maintained effective control procedures for processing bond refunds.

Review of payroll

- concluded that the RTA maintained effective control procedures in relation to payroll processing.

Review of procurement and practices

- concluded that the RTA has effective procurement processes and controls in place.

Review of contract management

- recommended improvements to contract management processes. The recommendations were accepted and an implementation plan was developed for action in 2012-13.

Review of Information Technology client service

- recommended improvements to Help Desk service standards. It also identified a consistent level of satisfaction amongst staff about Help Desk practices. Recommendations were accepted and an implementation plan was developed for action in 2012-13.

Review of legislative compliance register

- recommended improvements to the legislative compliance register. The recommendations were accepted and an implementation plan was developed for action in 2012-13.

Stakeholder engagement

The RTA prides itself on its effective partnerships with its external stakeholders and key business suppliers to provide responsive services 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 ways it consults with stakeholders (page 52).

Industry Development Forum

The Industry Development Forum comprises representatives from key residential rental sector stakeholders and is chaired by the RTA General Manager. Three forums were held in 2011-12. The forums provided the RTA with feedback, opportunities for community engagement, and stakeholder input on policies and future directions (page 52).

Overseas travel

No overseas travel was undertaken by the members of the RTA Board or staff during the 2011-12 financial year.

Performance review framework

The 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 below outlines the RTA's 2011-12 performance against key elements of this framework.

Performance review framework table

Function	Purpose	2011-12 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.
Performance measures	Reports achievement against annual performance targets and quantity, quality, timeliness and location at each board meeting.	Full performance reports provided at each board meeting – majority of performance targets achieved.
Internal audit program	Reports progress and recommendations from internal audit to the board and the 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 satisfaction and identify areas for improvement through unit operational plans.	Survey conducted February 2012 (see page 31)
Service delivery statements	Contributes to the Minister's report on performance and budget results to the Parliament.	Sound financial position achieved.
Annual report	High reporting standards ensure accountability to the RTA's clients, sector and staff.	Achieved 10th consecutive gold award from the Australasian Reporting Awards.

Case study

Number one

Easy access to median rents

Finding the median rent for residential rental properties in Queensland cities, towns and suburbs became easier in April 2012 with the new rent finder on the RTA website.

The RTA's General Manager Fergus Smith said visitors to the website would no longer have to search through tables to find median rents in a particular area.

'Anyone can find median rent data by simply entering a postcode, relevant quarter such as March 2012, and dwelling type,' Mr Smith said.

'The tool is great for people thinking of moving or who may own rental properties in Queensland.'

The spreadsheets which contain median rent information for local government areas are still available for people who want more in-depth information.

The data is based on an analysis of new rental bonds lodged each quarter and is updated each March, June, September and December quarter.

Median rents are calculated for 1, 2 and 3 bedroom flats or units; 2, 3 and 4 bedroom houses; and 2 and 3 bedroom townhouses.

'The tool is great for people thinking of moving or who may own rental properties in Queensland'

‘Anyone can find median rent data by simply entering a postcode, relevant quarter such as March 2012, and dwelling type’

Our clients

We are committed to making a positive difference to Queensland’s residential tenancy sector and we aim to deliver the highest-quality services to our clients.

Around one third (see page 12) of Queensland households rent their homes, and we provide targeted support and information for everyone involved in the sector including tenants, rooming accommodation residents, lessors, rooming accommodation providers, real estate agents, onsite managers and caravan park managers.

We engage with our clients through a variety of channels which are tailored to suit our clients’ diverse needs.

Our objectives

- > deliver effective client services
- > understand our clients and respond to their needs

Our strategies for achieving our objectives

- > provide high-quality and timely services to clients
- > streamline our service delivery channels
- > further develop online and automated service capability
- > engage with clients to identify and understand their needs
- > develop and implement a client-focused service delivery model

Performance indicators

- > deliver services within agreed standards
- > highly satisfied clients

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Moving in on the RTA website rta.qld.gov.au provides tenants with information they need to know at the start of a tenancy.

Our clients key results 2011-12

clients remained ‘highly satisfied’

with RTA services according to 2012 Client Satisfaction Survey (page 31)

answered 351,490

client enquiries (page 33)

processed 97.9%

of clients’ bond refunds* within two working days (target 85%) (page 39)

resolved 76.2%

of disputes where people participated in conciliation (target 65%) (page 40)

resolved 95.8%

of investigations within six months (target 90%) (page 44)

new website

rt.a.qld.gov.au developed and launched (page 37)

website visits grew

over 10,000 to 1,059,857 (page 37)

*received through mail and eServices

future priorities

- > focus on providing improved client services
- > redevelop printed publications to make them clearer and easier to use
- > provide tenancy information to clients through new digital resources
- > introduce improved forms which clients use to manage Queensland tenancies
- > develop new ways for clients to engage with us, including a new online bond refund facility
- > improve access to information for deaf and hearing-impaired clients by providing Australian Sign Language tenancy information on our website

Case study Number two

Listening to our clients

Feedback from the 2012 Client Satisfaction Survey showed that our clients remained highly satisfied with the services provided by the RTA.

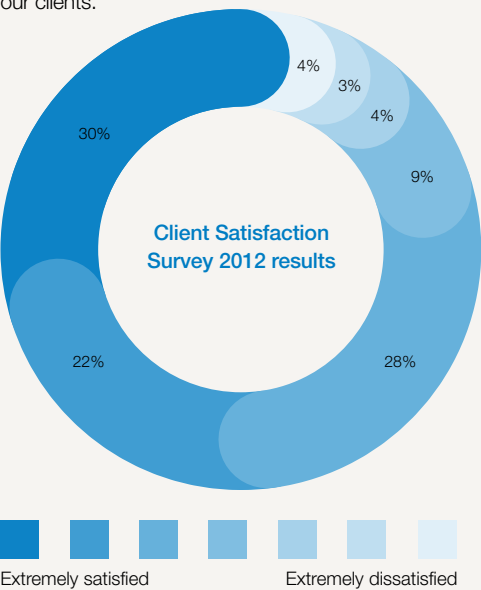
We continued to score strongly in overall client satisfaction, rating 8.2 out of 10, following scores of 8.4 in 2010 and 8.2 in 2008.

Property managers and agents were the most satisfied group, giving the RTA a score of 8.4 out of 10, while lessors rated us 8.2 and tenants gave an overall satisfaction rating of 8.1.

Market research company Colmar Brunton conducted the survey on the RTA’s behalf. The two-stage process involved small focus groups followed by a telephone survey of more than 300 tenants, lessors and property managers from across Queensland.

Clients were asked to rate their overall level of satisfaction with the RTA. They were also asked to rate their experiences dealing with our four key client service delivery areas – Rental Bond Services, Client Contact Services, Dispute Resolution Services and Investigations. Our publications rated highly in their usefulness and ease of understanding, and our website scored highly as a place to obtain useful information easily and as the point of first contact for many clients seeking tenancy information.

The survey results demonstrated the RTA’s commitment to delivering excellent service to our clients. We continue to use this client feedback to improve the services we offer our clients.



Source: Colmar Brunton Residential Tenancies Authority Client Satisfaction Survey, May 2012

Our website scored highly as a place to obtain useful information easily

Case study

Number three

More than words

In March 2012 the National Relay Service (NRS) held a training session at the RTA to give staff tips on how to communicate with clients with special needs. The NRS helps people with speech and hearing impairments do business with a range of organisations such as the RTA.

NRS clients type their conversation into a textphone installed in their home, before the relay officer speaks the client's words to the person they are calling. Client Contact Services Executive Manager Kimberley Wilson said staff regularly received calls through the NRS.

'About 95% of contact centre staff have received an NRS call since being at the RTA, which highlighted the need for staff to understand how they can aid the communication process for these clients,' she said.

'These particular calls can be complex because of the delay in waiting for the client to type the information and relay it through the interpreter. It requires patience and understanding.'

Clear and simple communication was identified as the key to helping speech- or hearing-impaired clients.

Staff learnt to:

- speak in short sentences
- wait until the client had relayed their question through the interpreter before answering
- be patient and understand that clients have varying levels of ability in typing and comprehending
- speak directly to the client and communicate as if the interpreter was not there.

Staff were given brochures and information booklets as reference materials to use.

Clear and simple communication was identified as the key

Engaging with our clients

The main ways we provide information to our clients are via our website rta.qld.gov.au and through our Client Contact Centre, where people can talk with us on the phone and make online enquiries. We also engage with people through our outreach and community support programs (see *Our sector* page 47) as well as through our suite of publications, which provide people with in-depth tenancy information (see page 121 for the full list of our publications).

Meeting the diverse needs of our clients

We are committed to making our services and the information we provide accessible to everyone in Queensland's large and diverse residential tenancies sector. By providing a variety of ways for our clients to access tenancy information and our support services, we allow our clients to choose the options best suited to their specific needs. We continually seek to improve the services we offer clients and we aim to be creative in developing new ways to meet their needs.

For example, in 2011-12 we offered:

- Telephone Interpreter Service (see page 37)
- National Relay Service (see *More than words*, page 32)

The RTA is committed to providing access to tenancy information resources to Culturally and Linguistically Diverse (CALD) clients (see page 37).

Providing tenancy information to our clients

As Queensland's residential rental sector grows, so does the demand for RTA services. We are committed to delivering high-quality tenancy information, primarily through our Client Contact Centre and our website.

Our Client Contact Centre is an integral part of the RTA's frontline client service. People from across the state can call the RTA on 1300 366 311 for the cost of a local call. Client contact service officers provide people with information on their rights and responsibilities under Queensland tenancy laws. Where appropriate, people are referred to other RTA support services such as our dispute resolution service, or to external agencies such as the Property Owners' Association of Queensland (POAQ) or the Tenants' Union of Queensland (TUQ).

Our client contact service officers send targeted educational and tenancy information materials via email, fax or regular post to clients as required.

Our website rta.qld.gov.au is Queensland's authoritative online tenancy information resource. Redeveloped in 2011-12, it was designed to keep pace with people's changing needs, giving clients fast access to important tenancy information. The website also features the eServices online bond management system for agents, quick links to RTA forms and fact sheets and *Open House*, the RTA's e-newsletter. People can download or order free of charge the full suite of RTA tenancy forms, as well as all of our publications. In 2012-13, we will explore new ways to engage with our clients via our website, such as eLearning modules and instructional videos. We will, for example, provide tenancy information translated into Auslan (Australian Sign Language) on our website.

Client Contact Centre delivers accurate, personalised information

The Client Contact Centre provides clients with information on matters relating to the *Residential Tenancies and Rooming Accommodation Act 2008* (the Act). Our staff use their knowledge of Queensland tenancy laws to listen to clients and provide accurate and helpful information applicable to each person's situation.

In 2011-12, staff in the Client Contact Centre responded to 351,490 enquiries on the phone and online.

In 2011-12 we continued to focus on providing clients with accurate information while maintaining high service quality standards and meeting performance targets. A focus on quality rather than quantity and meeting client needs fully on the first call has led to an improved first-call issue resolution rate.

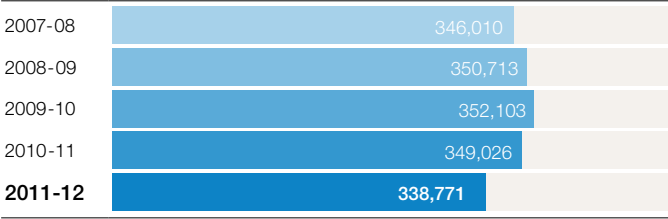
Phone enquiries remain high

Staff responded to an average of 1,350 calls each working day in 2011-12 (1,391 in 2010-11). In the 2011-12 financial year the Client Contact Centre answered a total of 338,771 calls. This figure is lower than the 2010-11 figure of 349,026, which is likely to be due to the reduced number of repeat callers because of improved client service. The 2012 Client Satisfaction Survey report showed that two-thirds of clients received the answer they needed the first time they contacted the RTA. Agents' and property managers' feedback showed that 78% of their enquiries were resolved during the first call.

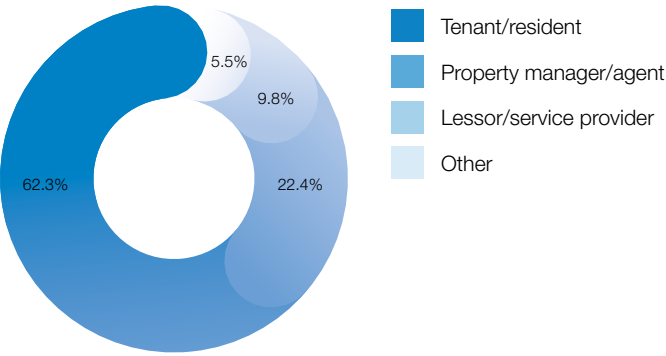
Average talk time for callers was 256 seconds in 2011-12, compared with 237 seconds in 2010-11. This change demonstrates the increased complexity of calls but also the care and time staff are taking with clients to ensure they are given all the information they need on the first call.

The Client Contact Centre maintained high service quality standards, with 72.5% of telephone calls answered within 60 seconds (target 70%) and 85.0% within two minutes (target 85%). The average waiting time for callers was 52 seconds, showing a small increase compared with 48 seconds in 2010-11 and a decrease compared with 63 seconds in 2009-10.

Calls answered by the Client Contact Centre 2007-08 to 2011-12

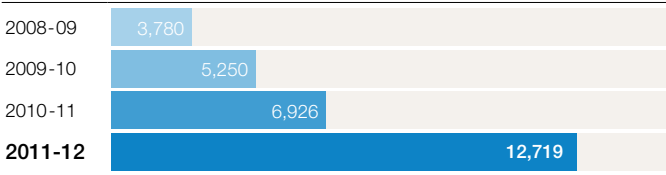


Client Contact Centre calls by client type
2011-12



The reduction in calls from property managers/agents reflects the increased use of eServices by this group.

Online enquiries answered by the Client Contact Centre
2008-09 to 2011-12



Reasons people call

The most common type of call continued to be related to rental bonds, accounting for 42.4% of calls, compared with 43.0% in 2010-11. The number of bond enquiries reduced in 2011-12 reflecting the increased use of eServices (see page 39). Other common enquiries from clients relate to ending a tenancy agreement and maintenance issues.

Increased demand for online enquiries

New software was introduced in 2011-12 to manage the growing demand for online enquiries as a service channel. The Client Contact Centre received 12,719 online enquiries in 2011-12, an 83.6% increase on 2010-11. Staff responded to 88.0% of online enquiries within the target of 2 working days, compared with 85.0% in 2010-11. The most common online enquiry related to bond matters, which accounted for 44.3% of the online enquiries answered.

Focus on client service training

This year saw a renewed emphasis on training and client service, allowing clients to expect an even higher standard of service when they called the RTA with their rental enquiries. All staff members received one-on-one mentoring and coaching, building confidence in staff members' abilities to provide excellent service to clients.

Benchmarking report shows excellent results

The Customer Service Benchmarking Australia (CSBA) program was introduced in October 2011. The program uses a unique methodology to understand, measure and improve client service, helping us to provide a consistent client service experience across all channels.

CSBA included the RTA's first client mystery shopper exercise, which delivered good results. Staff received a rating of 100% against the 'Interested, Warm and Helpful Staff' benchmark, and were rated at 93% for 'Good Product Knowledge'. The report also indicated key areas for improvement, primarily ensuring that staff clarify a client's needs to ensure the service provided meets the client's expectations. A continued focus on in-house training will aim to address this area.

In-house training provides ongoing staff development

The CSBA benchmarking program worked in tandem with the in-house Skills, Performance, Expertise, Attitude and Knowledge (SPEAK) training program to provide a framework for ongoing development and improvement for staff.

New staff were given traditional classroom training as well as case studies and group discussions to allow them to obtain a good understanding of our organisation and the services we provide.

The training took into consideration that many enquiries received by the Client Contact Centre are complex and sometimes emotional. Staff were trained to provide a quality client experience, including learning various methods to build rapport with clients.

To ensure the information provided to clients was accurate and complete, all calls answered by staff were recorded (unless the clients requested otherwise) and can be used in individual training sessions. The information also helped inform managers and team leaders about clients' common tenancy concerns. Ongoing training is provided to staff throughout their RTA career.

The CSBA and SPEAK training and development strategies were enhanced by the appointment of a Divisional Quality and Training Coordinator, who oversees the ongoing training and development provided to Client Contact Services staff.

Complaints about RTA services remain low

The RTA received 57 complaints about its services from clients in 2011-12, a slight increase on 2010-11 (56 complaints). With over one million interactions with clients this year, this equals approximately one complaint for every 18,000 interactions. The RTA continued its commitment to effective complaints management through ongoing adherence to our complaints management policy and procedure.

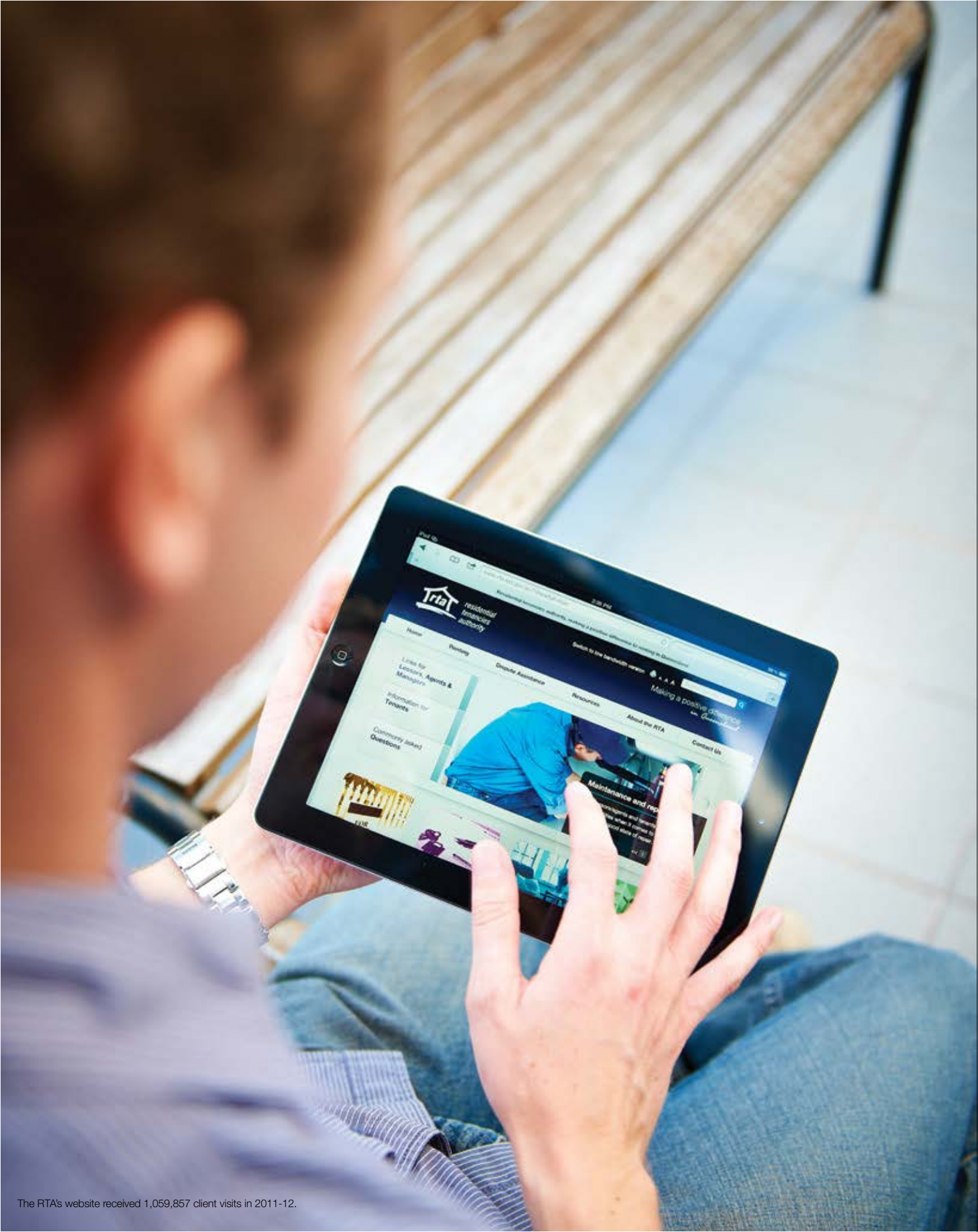


1



2

1 Client Contact Services Officer Bobby Prem discusses the results of the Customer Service Benchmarking Australia program with Client Contact Services Executive Manager Kimberley Wilson.
2 Client Contact Services Officer Catherine Tipene provides information on tenancy rights and responsibilities to RTA clients.



The RTA's website received 1,059,857 client visits in 2011-12.

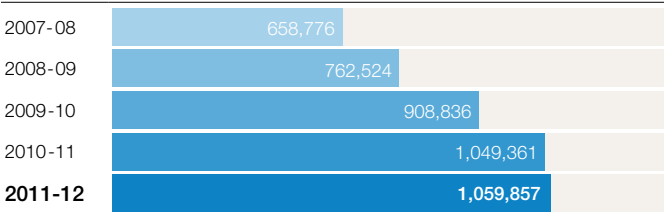
New website provides fast access to tenancy information

The new RTA website was launched in December 2011 following a comprehensive review of the existing site earlier in the year. The revamped website offers clients easy access to a wealth of tenancy information.

Website visits increase

A change in the method of measuring website visits was introduced in 2011-12 to improve the accuracy of the data collected. When past figures are adjusted to reflect the new measurement method, the figures show a continuing upward trend from 2007-08 to 2011-12. Visits to the website increased by 1% in 2011-12, from 2010-11, despite the significant increase in website traffic due to the Queensland floods in early 2011.

Website visits
2007-08 to 2011-12



Accessing tenancy information on the move

One of the most notable changes in 2011-12 was the way that people are accessing our website. The number of visits to the site by people using mobile devices has jumped from 32,661 in 2010-11 to 91,245 in 2011-12, an increase of almost 180%. Mobile devices were used to access the site 986 times in June 2010. In June 2011 the number reached 4,001 and by June 2012 that figure jumped to 10,216.

Website development process

To ensure clients' needs were met, extensive research was conducted into the online tenancy information requirements of different types of clients. The RTA commissioned surveys and interviews with our clients to understand how they used the site, what information was most useful to them, and what could be done to improve their online experience.

The website's content was redeveloped through consultation with representatives from across the RTA's business areas.

Clients can access the site through mobile devices using a specific version for smartphones, giving easier access to users on the move.

People who live in areas with poor internet coverage or slow connection speeds are now able to access a low bandwidth version of the site.

Users are given the opportunity to leave feedback on each page of the website. The feedback is collated and analysed, and the information is used in the website's ongoing development.

The RTA Digital Marketing Strategy, created in 2011, maps the strategic development of digital initiatives from 2011-2015.

The website was the first phase in the project, which will see the development of more innovative ways to engage with clients online. It will also give access to tenancy information tailored to match users' profiles.

Improved access for CALD clients

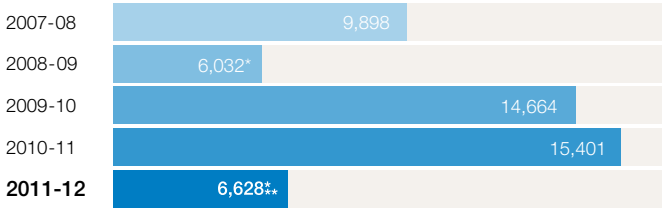
The RTA's commitment to providing access to tenancy information resources to Culturally and Linguistically Diverse (CALD) clients is outlined in our Multicultural Action Plan (2011-14). The RTA's Client Action Reference Group, comprising representatives from across the organisation, reports quarterly to the Executive team on the RTA's progress against the plan.

In 2011-12 the RTA supported CALD clients by:

- training staff in providing culturally aware client service
- monitoring the quality of translated phone calls with CALD clients, ensuring benchmarks were met for appropriate use of translators and successfully overcoming language barriers
- providing community funding to better support at-risk client groups (page 55)
- strengthening community networks, for example with Taiwanese community leaders, to raise awareness of the RTA and our services
- exploring options for online cultural awareness training modules to be used by frontline staff
- maintaining the Aboriginal and Torres Strait Islander cultural awareness and cultural capability strategy, enabling staff to better understand, respect, work with and deliver services to Aboriginal and Torres Strait Islander peoples and communities
- incorporating cultural awareness training into anti-discrimination training for all new staff from 2011-12
- placing contact information for the Translating and Interpreting Service (TIS) on all publications and fact sheets, ensuring CALD clients can access tenancy information in their own language
- providing the *Renting in Queensland* fact sheet in 11 languages (page 122)
- providing educational workshops for international students.

In 2011-12 the RTA received 440 phone calls using the TIS, with Korean and Chinese (Mandarin) the most requested languages. Chinese (Mandarin and Cantonese) and Spanish were the most downloaded language fact sheets from our website.

Downloads of translated fact sheets
2007-08 to 2011-12



*Fact sheets were offline for six months of 2008-09 due to revision to comply with the introduction of the Residential Tenancies and Rooming Accommodation Act 2008.
**A new reporting system was implemented after the new RTA website content management system was introduced in December 2011. Downloads were not reported between 7 Dec 2011 and 31 Mar 2012.

Managing rental bonds

Independent management of bond money ensures fairness for everyone who rents or manages Queensland residential rental properties.

Lodging bonds with the RTA

Rental bonds are security deposits paid by tenants at the start of a tenancy and any bond taken must be lodged with the RTA. Managing rental bonds is one of the RTA's key client service functions. It involves the receipt of bond money, processing changes to bond accounts and refunding bond money once a tenancy has ended.

Increased demand for bond management

In 2011-12, demand for bond management services increased, with 2.2% more bond forms processed than the previous financial year. On average RTA staff processed 2,786 forms each day (2,726 daily in 2010-11) amounting to 699,315 forms during the year.

Forms received for bond processing

2007-08 to 2011-12

Year	Forms received			Total
2007-08	341,426	269,593	58,792	669,811
2008-09	353,224	283,189	59,777	696,190
2009-10	321,963	290,433	57,754	670,150
2010-11	334,816	290,931	58,487	684,234
2011-12	343,580	293,571	61,164	699,315

- Bond lodgement (Form 2) and Part payment of rental bond (Form 7) lodgements
- Refund of rental bond (Form 4) lodgements
- Other bond form lodgements: Transfer of rental bond (Form 3), Change of lessor or lessor's agent (Form 5), Change of shared bond (Form 6)

Bond lodgement forms (Form 2 for new bonds and Form 7 for additional payments to existing bonds) accounted for 343,580 of the total forms lodged (334,816 in 2010-11). Bond refund applications (Form 4) and bond change forms (transfers and changes to lessor, agent and tenants – Forms 3, 5 and 6) totalled 355,735 of the forms received (349,418 in 2010-11) (see table above).

Peak months for bond administration services are traditionally December to March, but in 2011-12 this extended until the end of April. Over this period an average of 2,932 bond forms were processed daily with a maximum daily average of 3,293 forms processed in February 2012, a monthly record.

Bond lodgements continued to rise

New bonds lodged (Form 2) rose by 1.5% to 260,699 in 2011-12 from 256,748 in 2010-11, illustrating the ongoing growth of the state's rental sector. Nearly one quarter of bond lodgements processed were additional payments made to existing bonds ('top-ups') which generally occur in line with increased rent charged.

Daily figures grow

In monetary terms, average daily figures grew in the 2011-12 financial year to \$1.468m in bond lodgements, compared to \$1.363m in 2010-11.

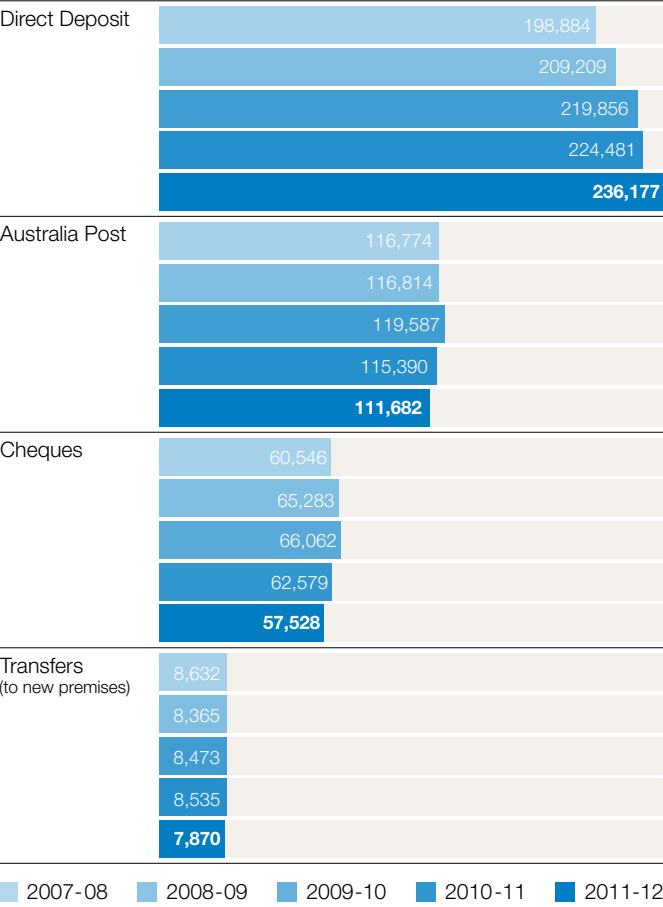
Increased demand for bond refund services

Bond refunds in 2011-12 increased to 918 per day, following an average of 909 refunds finalised daily in 2010-11. The daily average value of refunds increased to \$1.191m from \$1.136m in 2010-11.

Of all bonds refunded, 69.3% were paid out as agreed by the people involved. Of the 'non-agreed' cases a significant proportion of (around 85.7%) the bonds were finalised after a *Notice of claim* was issued and not disputed. In total, 71.3% of bond monies were returned to tenants, showing little change from 2010-11.

Bond refund transactions by refund option

2007-08 to 2011-12



Increased numbers of direct deposit bond refunds

Support for direct deposit as a method to refund bonds continued to rise, with 55.3% of all transactions processed using this method compared to 52.8% last year. Refunds to self-managing lessors via direct deposit grew to 74.1% compared to 72.4% last year, and tenants' use of the service increased from 36.6% in 2010-11 to 40.0%.

Bond refunds exceed time targets

In 2011-12 the RTA processed 98.7% of Australia Post bond refunds within 15 minutes, exceeding the target of 95% (99.1% in 2010-11). The proportion of non-Australia Post refunds (received via mail) processed within two working days reached 97.9%, exceeding the target of 85.0% (88.0% in 2010-11).

eServices usage increases

Following a campaign to encourage agents and property managers to register for eServices to manage bonds, there was a 6.5% increase in the number of agents with more than 10 bonds registered to use the online bond management service. Around 80% of agents with more than 100 bonds are now registered to use the service. A new user manual was created to help registered users get the most out of eServices. The service offers many time-saving benefits including 24/7 access to detailed bond information, and allows bonds to be refunded directly into tenants' bank accounts when the full refund is being paid to the tenant. In 2011-12, 15,326 refunds were processed through eServices (12,036 in 2010-11) representing 5.2% of all refunds processed (4.1% in 2010-11).

Developing online services for bond management

As the RTA seeks to introduce new technology solutions to support service delivery in the coming years, opportunities to further enhance processes to deliver more streamlined services will be identified. Feedback received from the RTA's clients supports the RTA's proposed direction to provide increased services through online channels. It is clear our clients want to do more business with us online, such as lodging rental bonds (see page 70).

Helping tenants claim bond refunds

The RTA is also investigating ways to ensure clients receive a bond refund at the end of a tenancy. When no bank account details or forwarding address are provided, the RTA endeavours to contact the tenant via SMS, seeking the necessary updated information to ensure they receive a payment, or to give them an opportunity to dispute a claim made on the bond.

Forms under review

In November 2011 the RTA launched a review of forms used to manage tenancies in Queensland, including bond forms, dispute notification forms, and forms used in general tenancy and rooming accommodation agreements. The review assessed client and staff feedback on the useability of all RTA forms and reviewed printing and distribution costs to ensure that the forms were cost effective. Four hundred and eighty-eight property managers, agents, lessors and tenants from across Queensland provided feedback through an online survey. A vast majority of respondents told us the forms would be easier to use if the language was simple and the instructions were clear. In line with this feedback the forms are now being redesigned to:

- simplify the instructions and make them easier to follow
- achieve consistency in language and design
- provide more useable space for clients to provide necessary details.

In 2012-13, the RTA will look at the possibility of merging specific general tenancy and rooming accommodation forms, particularly those related to rental bonds. The forms will be tested by both clients and staff to ensure the newly developed forms have achieved the set goals.

With similar outcomes in mind, the RTA is also reviewing standard correspondence sent to clients, to ensure information and instructions are clear and concise, and to achieve consistency of language and style.

Resolving tenancy disputes

The RTA's dispute resolution service helps resolve disagreements between tenants and lessors or their agents, reducing the need for applications to the Queensland Civil and Administrative Tribunal (QCAT).

Helping people resolve their disputes

Although most tenancies run smoothly, there are times when disputes arise. The RTA encourages people to talk to each other about their issues and try to reach a solution. But when communication has broken down, the RTA's free dispute resolution service helps people to re-connect through telephone conferencing or face-to-face conciliations.

Informed choices

The legislation contains a two-step dispute resolution process, involving conciliation conducted by the RTA as the first step and adjudication by QCAT as the second. Impartial RTA conciliators use conciliation techniques which include informing people of their rights and responsibilities to assist them in making an informed decision. People are encouraged to resolve their dispute through the RTA's dispute resolution service rather than having a decision imposed on them by QCAT.

Percentage of disputes resolved after parties participated in the conciliation process

2007-08 to 2011-12

2007-08	8,816	66.1%	4,526
2008-09	9,057	65.6%	4,757
2009-10	9,418	66.8%	4,680
2010-11	10,581	70.1%	4,521
2011-12	11,902	76.2%	3,708

Resolved Unresolved

Dispute resolution works

We received 22,077 dispute resolution requests in 2011-12, an increase of 4.5% from 2010-11. This is a relatively small proportion of the total number of residential tenancies in Queensland: the RTA holds 492,213 rental bonds (page 9). The RTA provides a conciliation process which is accessible and efficient, and we continue to exceed targets in our resolution rates. We helped to resolve 76.2% (up from 70.1% in 2010-11) of disputes when people participated in the conciliation process (target 65%) and positive outcomes were achieved in 53.8% (target 45%) of all disputes lodged with the RTA. In terms of timeliness, 80.9% of disputes (target 80%) were finalised within 28 days of receipt.

Large improvement in resolution rates

The RTA achieved its highest successful resolution rate of 76.2% in 2011-12 (target 65%) when people agreed to take part in the RTA's conciliation process. This result compares with 70.1% in 2010-11, 66.8% in 2009-10, and 65.6% in 2008-09. This rise can be attributed to an increased willingness of both tenants and lessors or their agents to participate in conciliation with the RTA, as well as specialist staff training. In the 2011-12 financial year, 508 more disputes were resolved than during the previous year.

The RTA has increased its target resolution rate for 2012-13 to 70% of disputes where people participate in the conciliation process. Unresolved disputes occur when negotiation has been attempted but agreement was not reached; when negotiation was refused; when we are unable to make contact with the person/s involved; and when the dispute may be only partially resolved.

Dispute resolution requests received 2007-08 to 2011-12

2007-08	18,188
2008-09	19,276
2009-10	19,682
2010-11	21,122
2011-12	22,077

Training becomes a focus

The training provided to staff, coupled with their experience in conducting conciliation conferences over the phone and face-to-face, means that we continue to achieve positive outcomes for our clients. Training was a major focus for the RTA in 2011-12, when the majority of RTA conciliators undertook a six-day intensive conciliation skills workshop conducted by the Peace and Conflict Studies Institute Australia (PaCSIA). The course, which exceeds the training requirements of the National Mediator Accreditation Standards, focused upon conflict analysis and conflict transformation. It equipped our staff with the necessary knowledge and skills to maintain our high quality of service. The RTA continues to support staff beyond this training by encouraging their professional development and pursuing accreditation, should they choose. In 2012-13 we will continue our relationship with PaCSIA.



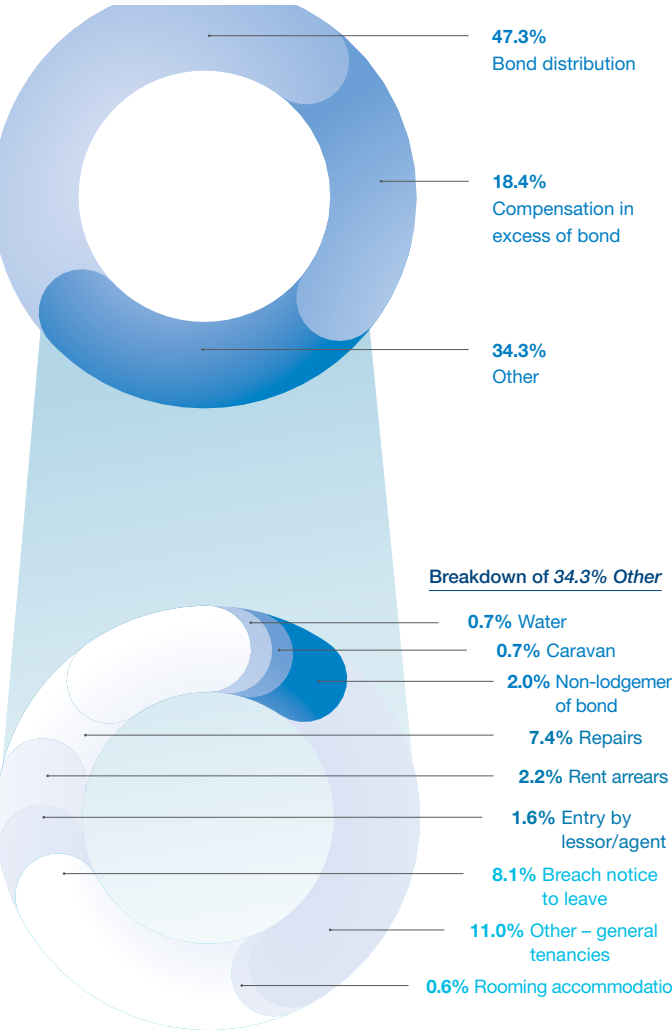
Dispute Resolution Services staff Heather Corkhill, Kristin Spruce and Executive Manager Melanie Banner discuss conflict transformation techniques learnt by staff at Peace and Conflict Studies Institute Australia workshops (see *Training becomes a focus* on opposite page).

Reasons for disputes

A dispute can occur at any time during a tenancy. Bond money is often the cause of the dispute, accounting for 47.3% of all disputes received in 2011-12 (compared with 46.0% in 2010-11). Bond disputes occur at the end of a tenancy for a variety of reasons including disagreements about outstanding rent payments, the state of the premises or costs involving water usage. Disputes involving claims for compensation in excess of the rental bond or claims after the bond has been distributed account for 18.4% of total disputes.

Disputes during ongoing tenancies account for 34.3% of disputes, a significant proportion. These disputes are most often related to repairs and maintenance, rental arrears and ending a tenancy early.

Reasons for disputes
2011-12



The power of conferencing

Conciliation conferences, conducted over the phone or face-to-face, have the potential to create empowerment and allow both sides to make a decision about their dispute together. Conferencing allows people to address their concerns to the other person/s directly while still in the presence of an impartial conciliator. Conciliators create a ‘safe space’ in which people can convey their emotions while the other persons listen to their concerns and needs. Clients tell us this has helped them to better understand the other’s perspective and helped them to come to a mutual agreement. Telephone conciliation conferencing is the mainstream model for resolving tenancy disputes at the RTA. The efficiencies of conferencing enable the service to plan for and deal with the expected growth in the number of disputes received with confidence. Face-to-face conciliations both in regional and metropolitan areas are conducted as required.

Face-to-face conciliation services

The RTA no longer engages the services of external conciliators to conduct face-to-face conciliation, instead making use of the extensive experience of in-house conciliators to conduct conciliations in regional and metropolitan areas as required. Face-to-face conciliations work particularly well in cases with a large number of disputants, such as caravan parks or rooming accommodation (see the case study on page 45).

Working with QCAT

QCAT makes decisions on residential tenancy disputes. People can lodge applications directly with QCAT for matters deemed urgent by the legislation, such as requesting an order to terminate a tenancy or excessive hardship.

If the dispute is non-urgent (as defined by the legislation), people need to first attempt to resolve their dispute through dispute resolution with the RTA.

As the RTA successfully resolves more than three-quarters of all conciliated disputes where people agree to participate in the process, most non-urgent disputes are resolved without the need for the client to apply to QCAT.

If the matter is still not resolved after the RTA’s conciliation process, parties can then apply to QCAT. The RTA issues a *Notice of unresolved dispute* which must be given to QCAT upon application, verifying that agreement was unable to be reached through conciliation.

QCAT data shows only 12.4% of disputes finalised by the RTA lead to the lodging of a tribunal application.



RTA conciliators conduct face-to-face conciliation sessions in selected cases.

Investigations and prosecutions

The RTA plays a key role in ensuring compliance with Queensland's tenancy laws.

Types of investigations and prosecutions

The RTA investigates allegations of offences against the Act committed by tenants, lessors or their agents. All investigations are carried out in accordance with the principles of natural justice.

Most investigations are started when a written complaint is received by the RTA. However, the RTA also carries out investigations in response to emerging sector issues, or as a result of information obtained by the RTA through its bond management or client service activities.

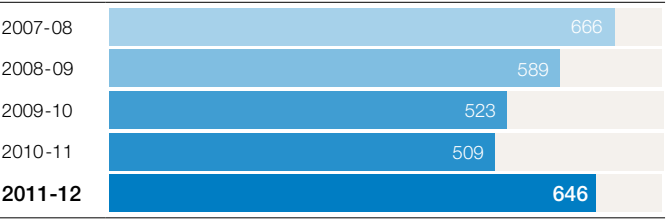
Offences often occur because offenders are unaware of their obligations under the Act. Accordingly, most investigations result in these offenders being educated about their obligations. This approach has proven to be an extremely successful and efficient use of RTA's resources, with identified instances of re-offending continuing to be extremely low. However the RTA will take enforcement action such as prosecution if the circumstances are sufficiently serious (see the case study on page 46).

The RTA conducted 646 investigations (target 500) during 2011-12, which is a significant increase from previous years. Of the investigations carried out, 95.8% (target 90%) were resolved within six months. The RTA also carried out 19 prosecutions during 2011-12, all of which were successful.

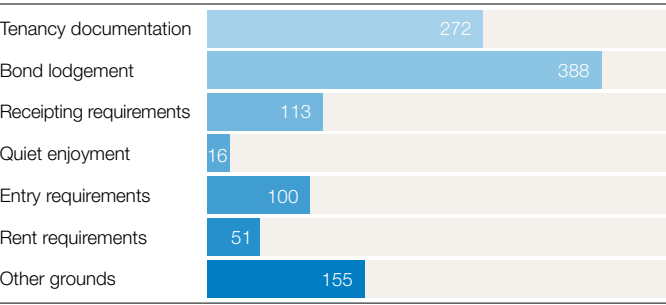
As illustrated in the following table, the most common type of investigation in 2011-12 related to failure to lodge bonds within the required timeframe.

Other commonly investigated offences related to failure to provide appropriate documentation at the beginning of a tenancy.

Investigations into non-compliance with the Act
2007-08 to 2011-12



Grounds for investigations of complaints regarding breaches of offence provisions
2011-12



Case study

Number four

Face-to-face conciliations help people in Mt Isa

Dispute Resolution Services staff carry out face-to-face conciliations to help people resolve their disputes. In 2011-12, dispute resolution conciliators successfully facilitated 36 face-to-face conciliation sessions across Queensland. In some cases multiple disputes were addressed in each session.

While telephone conference conciliations remain the preferred way to resolve disputes at the RTA, face-to-face conciliations are proving to be successful solutions in some situations.

Special cases suitable for face-to-face conciliation include:

- ongoing tenancies with multiple issues
- cases with a large number of disputants (rooming accommodation, unit complex, caravan parks)
- clients who have special needs
- cases that are mid-tenancy.

In early 2012, staff held face-to-face conciliations at various locations including Airlie Beach and Mt Isa. Dispute Resolution Services Executive Manager Melanie Banner said a visit to a caravan park in Mt Isa to conciliate with 10 people had helped disputants find common ground and also benefited staff.

'The team was able to see the issues for themselves and better understand the points of view just by being there,' Mrs Banner said.

'The people involved in the dispute liked the fact that they weren't just calling a faceless person in Brisbane, and that we took the time to go out to the regions. That really seems to be appreciated.'

Clients have provided positive feedback on a recent face-to-face conciliation.

'I want to make mention of how well the two ladies conducted the meeting,' a client said.

'They were impartial but I still felt I was getting support and good direction.'

The RTA will continue to actively identify disputes suitable for face-to-face conciliations in the future.

'The team was able to see the issues for themselves and better understand the points of view just by being there'

Case study

Number five

Fine for failure to lodge bonds

The onsite manager of a large townhouse complex in the Brisbane suburb of Runcorn was convicted and fined for not lodging rental bonds with the RTA.

The RTA launched an investigation in July 2011 after tenants made a complaint about their onsite manager.

Several attempts to communicate with the onsite manager failed. The RTA then began prosecution for several counts of failing to lodge rental bonds over a five-year period and for failing to ensure a company complied with Queensland tenancy laws.

A Brisbane magistrate convicted the manager and his company on all charges. No conviction was recorded.

The manager was fined \$4,000 and an order made for \$3,220 in bonds to be paid to the RTA.

The RTA began prosecution for several counts of failing to lodge rental bonds over a five-year period

Our sector

To support Queensland’s residential rental sector we consult with stakeholders, provide tenancy information and community education, provide sector data and research, and provide policy advice to government.

Our objectives

- > educate and inform the sector on tenancy rights and responsibilities
- > lead and support the sector through education, consultation, research, regulation and policy development

Our strategies for achieving our objectives

- > develop and deliver targeted information campaigns
- > promote the legislation and RTA services using diverse means
- > develop broader and stronger relationships with the sector
- > identify and respond to challenges in the sector through research, consultation, education and policy development

Performance indicators

- > high levels of community awareness of the legislation, the RTA and its services
- > stakeholders are satisfied with the operation of the legislation

Contents

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We encourage lessors, property managers and agents to provide feedback at the end of each tenancy law workshop.

Our sector key results 2011-12

provided policy support

during the Parliamentary Committee inquiry into the Residential Tenancies and Rooming Accommodation Amendment Bill (page 51)

supported

and collaborated with key stakeholder groups (page 52)

hosted

41 outreach events across Queensland including tenancy law workshops in Cairns, Sunshine Coast, Gold Coast and Brisbane (page 54)

supplied

rental market data and statistical information to government agencies, stakeholders, the housing industry and the community (page 54)

provided

\$1.00m dollars for housing support for the homeless (page 55)

future priorities

- > undertake a targeted review of the *Residential Tenancies and Rooming Accommodation Act 2008*
- > provide community education across Queensland including tenancy law information workshops in Townsville and Bundaberg
- > investigate new ways to provide tenancy information to targeted community groups
- > provide funding of \$7.04m to the Department of Housing and Public Works to support affordable housing

Case study Number six

RTA tenancy information workshops

Tenancy law workshops for lessors and property managers

More than 2,100 lessors and property managers registered to attend free tenancy law workshops hosted by the RTA across Queensland in 2011-12.

Workshops were held in Cairns, Gold Coast, the Sunshine Coast and Brisbane. Separate sessions were held at each location for property managers and self-managing lessors.

Water charging, dispute resolution, abandonment and natural disasters were some of the topics covered in the workshops. RTA General Manager Fergus Smith said the workshops provided important tenancy information for those in the residential rental business.

‘The lessors’ workshops offered first-time investors through to experienced lessors information about their rights and responsibilities from the start to the end of a tenancy.’

An overview of tenancy law, RTA forms, entry regulations and information about applying to QCAT were also discussed.

Tenancy basics for teenagers

A group of teenagers learnt how to be good tenants in an RTA workshop on the basics of renting hosted by the Kalwun Development Corporation.

The corporation provides services and facilities for Aboriginal and Torres Strait Islander people in the Gold Coast region.

Program Coordinator Denise Mills said knowing how to be a good tenant is something many people take for granted.

‘Many of these kids have not had good role models in their lives and they’ve had no-one to tell them the ‘dos and don’ts’ of renting,’ Ms Mills said.

‘The kids got to ask a lot of questions and it was great to see just how much they learned from the RTA. What is really great is they can now take the knowledge home and tell their aunts and uncles. It’s wonderful for us because we know these kids can be role models for generations to come.’

The workshops provided important tenancy information for those in the residential rental business

‘What is really great is they can now take the knowledge home ...these kids can be role models for generations to come’

Case study

Number seven

Connecting with the sector

The RTA connects with Queensland property managers through a series of networking breakfast presentations.

The Real Estate Institute of Queensland (REIQ) runs the breakfast series for their members.

Special guest speakers are invited to attend and talk about issues facing the residential rental sector in an informal and interactive setting.

RTA Senior Outreach Officer Lynn Smith is a regular guest speaker at the breakfasts, where she clarifies legislation and provides renting information for property managers.

‘The breakfasts are a great opportunity to meet property managers and hear their renting issues,’ Ms Smith said.

‘The question and answer portion of the presentation is very popular because it gives everybody a chance to ask questions that relate to their personal situation and to hear what issues their colleagues are facing.’

Popular topics discussed at the forums include dispute resolution, RTA services, pool laws and QCAT processes.

Feedback from sessions sets the agenda for future networking breakfasts.

‘The breakfasts are a great opportunity to meet property managers and hear their renting issues’

Regulating the sector

The RTA ensures that tenancy legislation supports government priorities, is effective, and remains relevant to the sector and the general public.

We monitor the operation of the legislation and provide policy advice on residential tenancy issues to the board, the Minister and other government agencies. Policy advice is developed through analysis of operational data, monitoring sector trends and emerging issues, and consulting with stakeholders.

National uniform law on tenancy databases

The policy focus for the first half of 2011-12 continued to be on national uniform law on tenancy databases via the introduction of the Residential Tenancies and Rooming Accommodation Amendment Bill 2011 into the Queensland Parliament. Tenancy databases are commercial databases of tenancy histories that are used by lessors and agents to assess rental applicants. The main purpose of the Amendment Bill was to introduce the national uniform law provisions that were developed by the national working party created by the Standing Committee of Attorneys General and the Ministerial Council on Consumer Affairs in April 2006.

The Amendment Bill, based on the endorsed national model provisions, was introduced into Parliament on 10 May 2011 and was referred to the Community Affairs Committee for review. The Committee completed its inquiry into the Amendment Bill and tabled its report on the Bill on 17 November 2011. The Bill lapsed when the Queensland Parliament was dissolved for the 2012 state election. The Queensland Government is now considering its overall position on tenancy issues generally.

Two months notice to leave provision

Two months notice to leave at the end of a fixed term tenancy has been one of the most debated provisions of the *Residential Tenancies and Rooming Accommodation Act 2008* (the Act). Since the Act's introduction in 2009, stakeholder groups representing the interests of lessors, property managers and tenants have raised differing concerns about the provision, which requires lessors or their agents to give tenants two months notice to end a fixed term tenancy agreement without grounds.

In August 2011 the RTA commissioned market research group Colmar Brunton to conduct a survey into the workings of this provision. The research findings indicated that the process for ending and renewing tenancies operates flexibly for the majority of people although some stakeholders had concerns about its operation. The RTA will continue to monitor and seek feedback from the sector about the operation of this provision.

Liaising with other agencies

The RTA also continued to work with other government agencies including the Office of Fair Trading, the Department of Justice and Attorney General and the Department of Housing and Public Works to discuss the legislative frameworks around residential tenancies and related issues.

Directors' liability provisions reviewed

In 2011-12 the RTA participated in a whole-of-government review coordinated by the Department of Justice and Attorney General regarding directors' liability provisions in a wide range of legislation. The Act contains more than 100 offence provisions under which directors as well as companies can be prosecuted. The RTA is reviewing these provisions to ensure directors' liability applies only where necessary, in line with the new government's policy on red tape reduction.

Engaging with the sector

The RTA consults and works collaboratively with stakeholders to keep in touch with emerging policy and sector issues.

Responding to sector issues

Best practice requires the government and the public sector to be responsive and accountable to clients. The RTA provides a support role to the Minister by providing expert advice on tenancy laws and residential rental sector issues. During the 2011-12 financial year the RTA:

- prepared information for 40 replies to Ministerial correspondence
- provided 25 briefing notes and 11 submissions including memorandums of approval and Cabinet submissions about tenancy law and related issues
- responded to 67 Minister's office and miscellaneous requests for other information.

The RTA also coordinated research and briefing papers for the board and the Minister on key legislative issues that might affect the residential rental sector.

Industry Development Forum

The RTA works collaboratively with stakeholders to develop and implement legislation, policies, programs and services. Engagement with the sector is vital to ensure all voices are properly represented when government decisions are made.

The RTA promotes regular interaction with peak bodies and stakeholder groups, and hosts quarterly Industry Development Forum round-table discussions. These forums provide an opportunity for the RTA to consult with sector representatives on emerging policy issues, or to raise sector issues or views for open debate or clarification. In 2011-12 three forums were held rather than the usual four as the Queensland Government was in caretaker mode at the time of the scheduled March meeting.

In 2011-12 topics discussed at the forum included:

- plans to redevelop the RTA's core business processes and systems
- plans to improve service delivery
- updates on the development of national uniform legislation for tenancy databases
- discussion on the operation of new smoke alarm legislative provisions for rental properties with the Queensland Fire and Rescue Service
- consultation on review of RTA print and digital publications
- results of a survey on the notice to leave provisions at the end of a tenancy
- dealing with abandoned premises
- improving and simplifying RTA forms for general tenancies and rental bonds.

Collaborating with other government agencies

Many residential tenancy sector issues are complex and multifaceted, requiring a whole-of-government approach. As such, the RTA participates in a number of cross-government working groups.

In 2011-12, the RTA supported other government agencies through discussions related to smoke alarms, pool safety legislation and the boarding house sector.

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

Throughout 2011-12, the RTA regularly liaised with senior representatives from QCAT. The RTA also provided a \$63,700 grant to QCAT to provide support for administrative work involved in providing written reasons for the tribunal's decisions on tenancy matters.



'The RTA are to be congratulated in taking a proactive approach in informing and educating lessors in this well-presented seminar'

Lessor feedback from a tenancy law workshop, Brisbane, May 2012

1 RTA staff member Mia Leigh talks with clients at Brisbane Welcomes International Students 2012, King George Square.

2 Senior Outreach Officer Lynn Smith answers agents' questions at an RTA tenancy law workshop in Brisbane, May 2012 (see Outreach program reaches thousands page 54).

Supporting the sector

Monitoring sector data allows the RTA to provide key tenancy information to stakeholder groups and the general public, and to identify emerging trends.

The RTA keeps people informed about sector news and information through our new website, a range of publications, our community support work, and our program of outreach events.

Monitoring sector trends

The RTA is a key source of residential rental sector information for sector stakeholder groups and the general public through its analysis of rental bond lodgement data. Quarterly reports detailing median weekly rents, according to location and type of premises, are published on the RTA's website, as well as data on monthly RTA operational activity (see page 27). The median weekly rent data is often cited in media reports on the current state of the Queensland residential rental market.

The RTA uses regular analysis of client interactions, such as client enquiries, types of dispute resolution requests and tribunal orders to monitor the Act's operation and inform decisions on 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 2011-12, the RTA responded to 387 requests for rental market data and other statistical information from various government agencies, stakeholders, the housing industry and the community. This compared with 268 data requests in 2010-11. The requests are often complex and require data not available on the RTA website.

Tenancy information through integration of print and online publications

To help people understand their rights and responsibilities, the RTA provides our clients with tenancy information through a range of print and online publications.

Our printed publications include:

- legislated publications
 - Renting in Queensland* (Form 17a)
 - Renting a caravan or moveable dwelling in Queensland* (Form 17b)
- educational and promotional publications
 - Managing general tenancies*
 - Renting rooming accommodation in Queensland*
 - Managing rooming accommodation in Queensland*
 - A guide for caravan and relocatable home park operators*
 - 37 fact sheets on a range of topics
 - a postcard for students regarding their tenancy rights and responsibilities.

Our website allows people to download free of charge all RTA forms and fact sheets as well as the legislated publications.

Publications review

In addition to redeveloping our website, which included rewriting all the tenancy information it holds, in 2011-12 the RTA undertook a review of our publications to ensure they were integrated and effective communication tools. Consideration was given to how people consume information, where people go to find information, the relevance of the information we provide, how effectively the publications communicate key messages, and corporate consistency.

The review, which included holding a tenant focus group, highlighted a number of areas where our current publications could be improved, including repeated content, inconsistent style and unclear information.

As a result we will rework our printed publications in 2012-13. The main improvements will be:

- refreshing the design of our publications
- rewriting the text of all publications into plain English
- creating a series of targeted information postcards for particular client groups
- rewriting and consolidating the suite of fact sheets.

Providing ongoing community education and support

The RTA is committed to providing state-wide tenancy education through a program of events and community support as well as targeted communications.

In 2011-12, the RTA:

- produced and distributed targeted information resources (page 122)
- enhanced strategic partnerships with key industry stakeholders (page 58)
- provided tenancy education support to community organisations, especially our most disadvantaged clients (see case study page 57)
- delivered an outreach program of workshops, presentations and promotional stands at major events (see below).

Outreach program reaches thousands

In 2011-12 the RTA hosted 41 events including tenancy law workshops, industry and peak body presentations, and other information sessions across Queensland. As well as supplying tenancy information to our clients, the presentations provided the RTA with the opportunity to hear directly from people in the residential rental sector about the issues they face.

The 2011-12 outreach program included workshops in Cairns, the Sunshine Coast (Caloundra and Maroochydore), Gold Coast (Tugan and Southport) and north Brisbane. The free workshops received 2,174 registrations (1,182 lessors and 992 property managers) (see case study page 49).

We also hosted promotional information stands at several events including NAIDOC week's Musgrave Park Family Fun Day, Post School Options EXPO, Brisbane Welcomes International Students 2012, and the Brisbane Multicultural Festival. At these events, our staff responded to more than 2,500 individual enquiries related to tenancy rights and responsibilities.



RTA staff member Florence Ducusin at the RTA information stand at NAIDOC week's Musgrave Park Family Fun Day.

Local projects created through RTA funding

Tenancy support and information was given to targeted tenants through funding provided by the RTA. Fourteen not-for-profit organisations from across the state were granted funding of up to \$5,500 each to create local projects specifically designed to help people understand their tenancy rights and responsibilities (see case study page 57).

Communicating with the sector online

The RTA's online newsletter *Open House* continues to keep people up to date on the latest tenancy news and information. Property managers, real estate agents, lessors, educational institutions, peak bodies and rooming accommodation providers have all registered to receive the publication, which is published every two months.

Subscriptions have continued to increase since the publication was relaunched in June 2011. The total number of subscribers grew to 4,627 at 30 June 2012, as 2,778 new subscribers signed up to receive the e-newsletter in 2011-12.

Supporting the community

In 2011-12 the RTA provided one-off funding of \$1.00m for the Lady Bowen Trust, an independent charity which provides practical support to help people overcome homelessness.

Contributing to sector publications

Throughout 2011-12 the RTA delivered targeted tenancy information through articles provided to a range of sector publications including those published by Real Estate Institute of Queensland, Tenants' Union of Queensland, Caravanning Queensland, Australian Resident Accommodation Managers' Association (Queensland) and Property Owners' Association of Queensland. RTA articles were also published by the International Student Guide and HardenUp.org, Green Cross Australia's website on preparing for natural disasters.

Grant funding to the Department of Housing and Public Works

In 2011-12, the RTA provided \$5.00 million in funding to the Department of Housing and Public Works for the Tenant Advice and Advocacy Service (Queensland) (TAAS(Q)). Twenty-nine community-based TAAS(Q) offices around Queensland provide information, advice and advocacy assistance to tenants using a case management approach.

A further \$0.26 million was also provided to the Department of Housing and Public Works to assist funding of the Tenants' Union of Queensland (TUQ) for work it undertook as a peak advisory body, providing tenancy law reform policy advice.

Working with the sector

The RTA leads and supports Queensland's residential tenancy sector.

We maintain active relationships with clients, key stakeholder groups and the Queensland Government to provide legislation and policy advice on tenancy laws and related issues based on regular consultation and feedback.

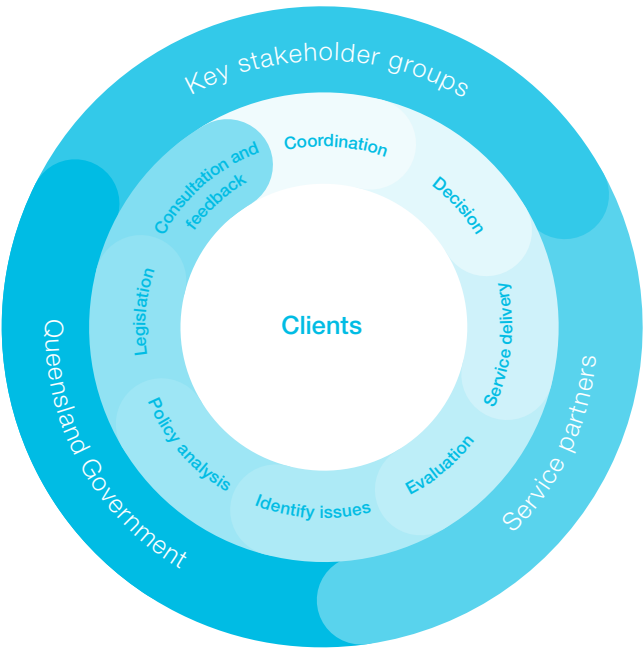
We also provide a range of services and educational assistance to clients and stakeholders.

The diagram below shows that clients are the focus of the services we deliver. Our clients include tenants, rooming accommodation and caravan park residents, lessors, property managers, caravan park managers and rooming accommodation providers.

Surrounding this core is a network of key stakeholders including the Queensland Government, which has a regulatory and policy agenda at state and local levels, as well as a number of industry and community organisations representing the interests of client groups.

We lead and coordinate the development and implementation of preferred policy options by consulting with the sector and stakeholders.

Working with the sector



Liaising with stakeholder groups

The RTA liaises regularly with key stakeholder groups and peak bodies to monitor developments in the sector.

These relationships are strengthened through quarterly Industry Development Forums hosted by the RTA (see page 52), individual liaison, reference groups, and participation in stakeholder working parties convened for the purpose of reviewing and monitoring the operation of the legislation.

Stakeholder groups include:

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

The RTA also maintains close alliances with its investment partner the Queensland Investment Corporation, and service partners such as QCAT.

Coordination

Queensland Government

Decision

RTA Board, Minister

Service delivery

tenancy information, bond administration, dispute resolution, investigations, RTA digital and print publications

Evaluation

ongoing monitoring, stakeholder forums, RTA Board

Identify issues

research, operational intelligence, client and stakeholder feedback

Policy analysis, research and advice

stakeholder groups

Legislation

Residential Tenancies and Rooming Accommodation Act 2008

Consultation and feedback

reviews, working parties, market research

Case study

Number eight

Giving the keys to being a good tenant

The RTA is helping community organisations give marginalised groups the skills to find and secure a place to live.

BoysTown is one of many community groups across Queensland creating local projects that promote awareness and understanding of tenancy laws with the support of the RTA.

BoysTown has created a new program and DVD called *Rent it Right* which explains how to find and secure a place to live.

BoysTown Workshops and Special Projects Manager Kristine Fleming said research showed some young people did not understand the rental process and those with low literacy skills struggled to read important forms and documents.

'The *Rent it Right* housing program explains the process in a clear, step-by-step way,' Ms Fleming said.

BoysTown is a not-for-profit organisation that helps marginalised young people aged 15 to 25 to improve their quality of life and connect with the community.

Rent it Right participants take part in 12 workshops which include sessions on managing money, identifying realistic housing options, legal obligations, how to be a good tenant and neighbour, how to avoid and resolve disputes, and the steps to end a tenancy.

'BoysTown has done a fantastic job in creating the *Rent it Right* program for young people and their families,' RTA General Manager Fergus Smith said.

'The *Rent it Right* program takes residential tenancy legislation and turns it into a series of activity-based workshops for young people in a language they understand and respond to.

'These practical sessions allow them to learn about their rights and responsibilities and also help them to set realistic housing goals.'

Participants in the program received a certificate once they successfully completed the course.

Ms Fleming said she hoped property managers and lessors would recognise the certificate when considering people for tenancies.

'These practical sessions allow them to learn about their rights and responsibilities and also help them to set realistic housing goals'

Case study

Number nine

Supporting good tenancies

The RTA supported an initiative by the Real Estate Institute of Queensland (REIQ) to run a series of specialist conflict resolution workshops for property managers in Queensland by providing case studies to be used as examples in the workshops.

RTA Senior Dispute Resolution Conciliator Kristin Spruce helped devise the case studies, which reflected common tenancy dispute issues such as water charging, bonds and delays in repair work.

‘There are a large number of day-to-day disputes that could be resolved between the tenant and the property manager without the involvement of the RTA,’ Ms Spruce said.

‘We see cases where people let their emotions make decisions, instead of focusing on the evidence and facts. If we could encourage people to communicate the facts without becoming emotional, a lot of these cases wouldn’t require dispute resolution.’

REIQ Contract Trainer and Industry Practitioner Connie McKee said the workshops taught property managers to identify confrontation ‘red flags’ and how to defuse a situation early.

‘We are ultimately aiming to make the job easier for property managers by developing their skills to identify and deal with situations in a transparent way,’ Ms McKee said.

‘If property managers deal with the issue before it escalates, it will help them deliver tenant and owner satisfaction.’

REIQ workshops were held in Rockhampton, Toowoomba, Townsville and Brisbane as well as the Sunshine Coast and Gold Coast during 2012, with further workshops planned.

The RTA and REIQ will continue to work together to ensure the Queensland residential tenancy sector remains up to date on tenancy issues and information.

‘We are ultimately aiming to make the job easier for property managers by developing their skills to identify and deal with situations in a transparent way’

Our organisation

We recognise that staff hold the key to our success, and we aim to create a flexible and dynamic workplace.

Our organisation is going through a period of renewal and development, as we transform the way we do business to ensure we continue to put clients first.

- Our objective**
- > build the RTA's capability to deliver services now and into the future
- Our strategies for achieving our objective**
- > encourage leadership and support professional development of our staff
 - > review working arrangements to better meet client and organisational needs
 - > develop and implement improved business processes and supporting systems
- Performance indicators**
- > maintain staff satisfaction levels
 - > maintain efficiency levels (cost per client activity)

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Executive Support Officer Darlene Owen, Investigations Unit Manager Aaron Ball (in background).

Our organisation key results 2011-12

implemented

the Organisational Change Management strategy to prepare and support staff ahead of the introduction of new technologies (page 70)

improved

staff satisfaction levels in overall work environment and work-life balance (Workforce Attitude Survey) (page 66)

developed

and implemented the Emerging Leaders Program (page 66)

created

the Welcome Mat online induction program (page 62)

recognised

17 staff members for excellence in job performance, client service and dedication to the RTA (page 73)

completed

a workplace harmonisation gap analysis in line with new national Work Health and Safety legislation (page 67)

introduced

new financial budgeting system Prophix (page 71)

future priorities

- > develop new ways for clients to do business with us
- > continue to prepare and support staff ahead of the implementation of new technology based systems
- > identify tailored training opportunities for staff
- > continue to recognise staff who strive for excellence in client service delivery
- > continue to implement environmentally friendly initiatives with a focus on waste and energy use reduction

Case study Number ten

Developing our future organisational culture

A framework created to represent the RTA's ideal culture was unveiled by General Manager Fergus Smith in February 2012.

'All staff had their say in the *Building our future* workshops in 2010, and ideas generated were incorporated into the RTA's 2011-14 Strategic Plan,' Mr Smith said.

'Building on the plan's foundations, the management team then identified the aspects of the RTA's culture that we wanted to focus on, represented in our new framework.'

Mr Smith said that 'Putting clients first' was placed at the centre of the framework because our clients will remain at the heart of our future culture.

'The RTA has always been focused on our clients, and we will build on our strong client service skills: we put the needs of the client first, we take time to understand clients' needs, we explain and follow through with the client, and we comply with RTA's policies and procedures.'

Mr Smith said that all elements of the framework were interconnected, and all were essential when putting clients first.

'Client service encompassed the entire framework to show that our aim is to achieve excellent client service with every client interaction,' Mr Smith said.

The framework was designed to start conversations about client service, and what it means for the RTA.

Following the framework's introduction, Organisational Change Management workshops were held in each division to provide the opportunity for staff to explore ideas about client service.

Clients will remain at the heart of our future culture

Working together as ONE RTA

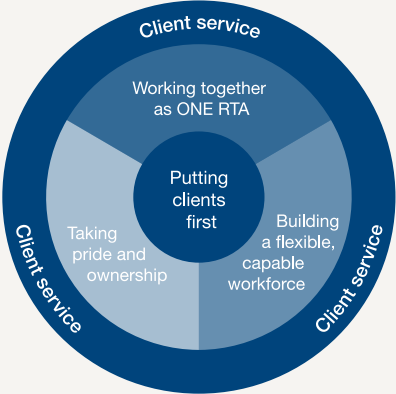
- We work together as a team
- We are purposeful about helping each other
- We work together to meet our internal and external clients' expectations

Taking pride and ownership

- We take responsibility and we do our jobs to a high standard
- We show pride in our work
- We own our actions and decisions

Building a flexible, capable workforce

- We are able to do a range of jobs and tasks
- We are flexible and ready to adapt to new processes and challenges
- We continually build the appropriate knowledge, skills and attitudes so we are effective in our jobs



The RTA's organisational culture diagram represents the RTA's ideal culture.

Case study

Number eleven

Welcome Mat helps new starters find their way

The Welcome Mat induction program gives new staff a comprehensive introduction to the RTA.

The induction program was launched in June 2012 as another step towards building a flexible, capable workforce.

Human Resources staff developed the program to streamline the process of learning about the RTA's functions, processes and organisational culture.

The Welcome Mat comprises several elements: intranet resources, an induction strategy, mandatory training modules, commencement checklists and face-to-face induction sessions.

When a new employee starts work, Human Resources sends them an email with instructions on the induction process, including a link to the Welcome Mat on the intranet.

Staff can watch a video message from the General Manager welcoming them to the RTA, and they can also access employment information tailored to their own type of employment.

Permanent RTA employees have a half hour one-on-one meeting with the General Manager at the successful completion of their three-month probation period.

Senior Organisational Development and Human Resources Consultant Jenelyn Hall said the aim of the Welcome Mat was to give staff an overview of the core business of the RTA in a one-stop convenient place.

'We want to help new staff become familiar with the RTA's culture by providing an induction that encompasses online, face-to-face, and localised methods,' she said.

'The program has been structured this way to promote a positive attitude towards the RTA, increase the productivity of new employees and by ensuring the induction activities are targeted to their employment status.'

New staff are also appointed a 'buddy' to help them settle in at work. Information modules for buddies and managers on how to assist with the induction of a new employee have also been created.

'We want to help new staff become familiar with the RTA's culture'

Executive team



Fergus Smith BSc, MA, MBA, GAICD
General Manager

As General Manager, Mr Smith is responsible for the leadership, strategic direction and operation of the RTA.

Mr Smith joined the RTA in 2002 as Corporate Services and Investigations Manager before being appointed as General Manager in 2006.

Mr Smith's experience in senior management for the former Department of Housing in policy, strategic planning, research, performance management, housing systems initiatives and community housing, ensures he brings a wealth of understanding of Queensland's housing sector to his role.



Melanie Banner
Executive Manager,
Dispute Resolution Services

Mrs Banner joined the RTA in 2008 as a team leader and was appointed Dispute Resolution Services (DRS) Executive Manager in August 2011 after acting in the position since November 2010. Mrs Banner brings 15 years public sector management experience to the RTA, at both state and federal government levels.

Mrs Banner strives to ensure the Dispute Resolution Services division supports clients to resolve tenancy disputes. Her team assists people to make informed decisions under the *Residential Tenancies and Rooming Accommodation Act 2008*.



Kimberley Wilson
Executive Manager,
Client Contact Services

Kimberley Wilson joined the RTA as Executive Manager of Client Contact Services in October 2010. The Client Contact Centre provides clients with information about their rights and responsibilities in relation to Queensland tenancy law.

Mrs Wilson brings over ten years experience managing customer service and call centre environments in both Australia and the United Kingdom, and in 2010 she won an Australia Day Achievement Award for Innovation in Improving Client Service Delivery while working at TAFE Queensland.



David Breen BA (Hons), Grad Dip
Soc Sci (Housing Mgt and Policy)
Executive Manager,
Policy and Education Services

Mr Breen has managed the Policy and Educational Services division since joining the RTA in 1999. His team undertakes research, policy development, communication, community education and investigations to maintain integrity and balance within Queensland's rental sector.

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



Janet Arber BBus (Comm), BBus
(Tourism Mgt), MA (Public Policy)
Executive Manager,
Core Client Services Program

Ms Arber oversees the RTA's Core Client Services Program (CCSP), which manages the implementation of new technological systems for the RTA.

Ms Arber joined the RTA in 1992 as Communications Coordinator before becoming the Principal Policy Officer in 2001. She was appointed to the role of managing the CCSP in June 2011.

Before joining the RTA Ms Arber worked for Education Queensland, the Department of Family Services and Premier's Department.



Kylie Lewis BBus (Mgt)
Executive Manager,
Rental Bond Services

Ms Lewis oversees the RTA's Rental Bond Services division, which manages the processing of all bond lodgements and refunds.

Ms Lewis joined the RTA in 1995 as Research Officer (statistics) and was appointed Rental Bond Services Executive Manager in May 2009.

She brings extensive public service experience to her role, having worked for the Lands Department, the Queensland Government Statisticians Office, the Department of Education and Corrective Services.



Ray Rapinette BCom, GAICD, MIPA
Executive Manager,
Corporate Services

Mr Rapinette has managed Corporate Services since joining the RTA in 2007. His division provides internal support through human resources, legal, financial management, information technology, record keeping and project assistance.

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

Our people

The RTA is proud of the professionalism, dedication and enthusiasm of its staff, who all work hard to put clients first.

Workforce profile

The number of full time equivalent staff (FTE) decreased from 182.6 in 2010-11 to 176.6 in 2011-12. The RTA employed 186 staff in total at 30 June 2012.

The RTA continues to maintain its direct client service focus with 70% of staff engaged in client service positions. All other staff are dedicated to undertaking necessary support and business management roles.

Employee (FTE) by division* as at 30 June 2012

Office of the General Manager	2.0
Client Contact Services	33.1
Core Client Services Program	5.0
Corporate Services	33.1
Dispute Resolution Services	39.6
Policy and Education Services	22.8
Rental Bond Services	41.0
Total	176.6

*Note: This table does not include contract and temporary agency staff

The RTA's high staff retention level has continued in 2011-12. As at 30 June 2012, 46 employees had achieved more than 10 years of service at the RTA, representing 24.7% of the RTA workforce. Of these, 30 employees (16.1% of the workforce) completed 15 or more years of service, and 9 employees (4.8% of the workforce) had completed 20 or more years of service.

The annual separation rate for 2011-12 was 17.8% of the workforce. This rate includes those staff who resigned from the RTA to take up roles elsewhere within the public service.

One redundancy payment was made in 2011-12 under Directive No.17/09 Early Retirement, Redundancy and Retrenchment.

Industrial environment

RTA staff are employed under the Residential Tenancies Authority Employees' Award – State 2002, with the RTA a party to the State Government Departments Certified Agreement 2009.

The RTA continues to use an internal Consultative Committee (CC). It is a consultative body that facilitates consultation between management and unions on matters arising under the Certified Agreement, as well as providing a forum for a collaborative approach to employee relations at the RTA (page 21). The CC provides a mechanism for management and union representatives to identify, raise and discuss current or emerging employment issues.

Workforce management and planning

The Workforce Management Plan 2011-14 outlines the objectives, performance indicators and strategies that support and contribute to the overall implementation of the RTA's 2011-14 Strategic Plan. The Workforce Management Plan has been designed to ensure staff have the appropriate mix of skills to meet current and future needs that will enable the RTA to provide valued client service. The plan also recognises the importance of developing and valuing staff by providing a work environment that encourages job satisfaction and supports the general wellbeing of staff.

In June 2012 a progress report was provided to the General Manager on the implementation of strategies outlined in the plan. Considerable progress had been made on all strategies. The strategies include:

- the development of the Emerging Leaders Program as part of the Leadership Development Program (see *Developing emerging leaders* page 66)
- a comprehensive review undertaken of a total of 57 Human Resources policies and procedures
- the development of an induction tool (see case study page 62)
- the creation of an Organisational Change Management (OCM) reference group to develop and implement strategies to support change (see page 70).

Building skills and knowledge

Following the 2010-11 *Building our future* workshops, the RTA has embarked on a *Shaping the future together* strategy, where staff and management are involved in the Six Change Initiatives (see page 71) to help shape our future.

To complement the Emerging Leaders Program, a leadership program targeting middle management is currently under development and will commence early in the 2012-13 financial year.

Performance management framework

The RTA's Performance Development Scheme (PDS) links each individual staff member's performance to the strategic plan, annual business plan, and unit operational work plans. Staff are supported in the achievement of their performance objectives through clearly defined duties, responsibilities and performance standards required by their positions.

Other objectives of the PDS include improving communication between staff and their team leaders, provision of regular performance feedback, and identification of training and development needs.

Where performance is below the standard required, a Performance Improvement Plan can be developed at any stage of the appraisal cycle to support staff to meet the required performance levels.



Human Resources and Training Administrator Nicole Pascoe and Client Contact Services Team Leader Blair Lawson share a joke with General Manager Fergus Smith.

Workforce Attitude Survey

In October 2011, the RTA conducted a staff Workforce Attitude Survey (WAS) to gauge job satisfaction and gather feedback on how operations could be improved. The voluntary survey had a good response rate of 82%. This was the third comparable WAS conducted by the RTA, and the data collected was benchmarked against the previous survey results. Overall the results were of a high standard, showing further improvement since the 2008 and 2010 surveys, particularly in the areas of overall work environment and work-life balance.

In line with the 2008 and 2010 surveys, action plans incorporating staff suggestions were developed by each work team. All teams have made good progress following the plans. Another survey will be conducted in 2013.

Developing emerging leaders

The Emerging Leaders Program is designed to assist acting team leaders and staff with potential to expand their leadership capabilities. The program will help these future leaders understand their role within the RTA and the qualities needed to be an effective team leader.

Sixteen staff were selected to take part in the program that concentrates on the RTA's values in the context of leadership. Two workshops have been completed, with another two sessions to follow in late 2012.

Fostering reward and recognition

The RTA's annual reward and recognition program continues to be a mechanism for staff and managers to recognise employees who achieve outstanding results or strive for excellent business outcomes.

In 2011-12 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 client service.

Seventeen staff were recognised for their contributions to the organisation either as individuals or team members (see case study on page 73).

At the annual presentation in December 2011, 18 long-serving employees of the RTA were recognised and thanked for their service and commitment to the RTA for their 10, 15 or, in four cases, 20 years of service.

Improving work, family and lifestyle balance

The RTA maintained its commitment in 2011-12 to providing a workplace that enables staff to balance work, family and lifestyle. This year, 17% of our workforce (31 staff) were engaged in part-time work.

RTA staff continue to access a range of options to ensure a family- and lifestyle-friendly work environment. These options include accumulated time off, variable working hours, compassionate and bereavement leave, leave without pay, long service leave at half pay and family leave, as well as 14 weeks paid parental leave.

Staff on extended leave through illness, secondment or parental leave are sent a monthly 'keeping in touch' kit containing the *Our House* internal newsletter, all-staff emails and other relevant internal documentation. The kit keeps staff informed of all relevant workplace developments, streamlining the return-to-work process.

The RTA supports the Carers Charter, as detailed in the *Carers (Recognition) Act 2008*. Staff may apply for part-time employment to reduce working hours and accommodate caring responsibilities for children, elderly relatives or other family members. Staff are also able to use their sick leave entitlement to care for ill or injured immediate family members who are dependent on their care and support.

Employee Assistance Program expands to online service

In 2011-12 the RTA engaged Davidson Trahaire Corpsych to provide the Employee Assistance Program (EAP). The RTA recognises that the work performance, health and safety of staff can be adversely affected by a wide range of personal problems. The RTA's EAP is designed to assist permanent and temporary employees and their families in overcoming such problems through confidential and free counselling services. Staff have successfully transferred to the new provider, with utilisation rates remaining consistent with earlier years. The EAP also provides a confidential online support service for staff that includes access to online counselling and information. A Manager Assist telephone advisory service is also available for RTA management. This service provides managers with the opportunity to seek advice on strategies, to debrief, and to rehearse approaches for dealing with difficult situations.

Promoting equity in our workplace

Recognising and celebrating diversity enables the RTA to deliver better services to the community and provide a flexible and contemporary workplace.

The RTA continues to promote a workplace that is free from discrimination by providing information sessions to new staff about anti-discrimination law. This information is available to all staff on the intranet.

In 2011-12 the Equity Committee developed a new Equal Employment Opportunity (EEO) Management Plan. This new plan focuses on raising awareness of what equity means to life at the RTA and how the Equity Committee can better represent staff.

This year the Equity Committee raised awareness of EEO matters by promoting activities such as International Women's Day, the Cancer Council's Biggest Morning Tea, White Ribbon Day, Movember, and Harmony Day.

Employee by occupation and gender* as at 30 June 2012

Occupation	Male	Female
Managers and administrators	3	4
Professionals	4	6
Associate professionals	8	13
Advanced clerical and service workers	17	30
Intermediate clerical and service workers	21	60
General clerical and service workers	2	13
Totals	55	126

*Note: This table does not include contract and temporary agency staff

Strong safety record maintained

The RTA continued to maintain its high standard of workplace health and safety in 2011-12, with the incident rate remaining low. An average of 0.69 incidents occurred for every 10,000 hours worked.

The RTA Workplace Health and Safety (WHS) Committee met every two months during 2011-12, continuing to ensure safety remains a priority at the RTA. Minutes taken at the meeting were made available to staff on the intranet. In addition, all new staff received mandatory WHS induction training on their commencement at the RTA.

With the introduction of the new *Work Health and Safety Act 2011*, a desktop gap analysis was conducted of the RTA's WHS policies, procedures and practices. The analysis demonstrated the RTA's commitment to improve WHS systems and processes, and to provide a safe work environment. Relevant policies were updated where appropriate to ensure compliance with the new legislation. An action plan has been developed as a result of the analysis, outlining activities which need to be undertaken.

The RTA continues to support staff returning to the workforce after illness or injury by providing a rehabilitation program. Trained RTA rehabilitation officers work closely with returning staff, their team leader or manager, and their medical practitioner.

Maintaining a healthy workplace

The RTA is committed to providing opportunities for staff to maintain or improve their health and wellbeing. The RTA's corporate health provider Ford Health created an online personal health tracking system called MyHealth. Ford Health also gave staff access to online information resources dedicated to promoting healthy lifestyles.

The RTA's health and wellbeing program continues to be well received by staff with a total of 49 staff (26%) participating in annual health assessments in November 2011. As a result of the health assessments, activities were arranged to encourage staff to make positive lifestyle changes.

Influenza vaccinations were again offered to all RTA staff prior to the onset of winter, and 76 staff (43%) participated in the program. Other health and wellbeing activities included a stress management awareness workshop (February 2012) attended by 23 staff, skin cancer checks (April 2012) attended by 67 staff, and hearing checks (May 2012) undertaken by 76 staff.

Communicating with our staff

All-staff emails from the General Manager and the RTA intranet again proved to be the best methods to communicate important messages to staff. Intranet click-through rates suggest increased numbers of staff accessed the intranet to keep informed of daily announcements, important project updates and the internal staff newsletter, *Our House*.

In the event of a natural disaster or other emergency, staff will be provided with an RTA-only login to our website, which will give access to essential operational information.

Updated visual identity guidelines

In 2010-11 the RTA updated the visual identity guidelines to strengthen recognition of the RTA within the community. In 2011-12 staff extended the concept to internal communications and produced a series of visual templates. These templates gave a unique visual identity to internal corporate communications such as email banners, posters and other staff communication channels.

Working groups and committees

In addition to the intranet, the RTA continued to take advantage of various working groups to communicate important issues to staff across the organisation. This method was particularly useful for the OCM strategy (page 70), where a group of senior staff representatives developed plans and liaised with staff to gather feedback.

Another communication strategy was the proactive use of formal and informal communication meetings and committees across the RTA. These meetings ensured the RTA developed a variety of communication and feedback mechanisms to ensure messages reached all staff.

Supporting a positive RTA culture

The RTA supports a range of initiatives to foster a positive organisational environment. In addition to the health and wellbeing program and individual team activities, a variety of whole-of-RTA initiatives encouraged interaction between staff across divisions.

The staff social club manages a number of these gatherings, with Level 23 of our Turbot Street premises providing a large outdoor balcony which is ideal for staff events. In 2011-12, the RTA hosted the following events:

- monthly after-work gatherings on the RTA balcony
- Christmas function
- La Triviata, the RTA's annual trivia night
- Riverfire function
- Soup Day
- the Biggest Morning Tea, which raised \$700 for the Queensland Cancer Council.

RTA activities also supported Brisbane's homeless community. Funds were raised through Casual Friday donations, where staff donated money in exchange for wearing casual clothes. More than \$1,800 was raised in 2011-12 for the Ecumenical Coffee Brigade (ECB) and the Brisbane Youth Service (see case study on page 74).

In December 2011 the RTA's season's greetings message was sent as an e-flyer. The money saved on print and postage costs (\$500) was donated to the ECB.

Our environment

The RTA is committed to environmentally friendly practices. We continue to support environmental initiatives including recycling, responsible energy use and water conservation.

Building a green organisation

The RTA offices in Turbot Street, Brisbane, are housed in a building which has achieved a Green Building Council of Australia Five Star Green Star accreditation. A number of other environmental initiatives are supported by management to further ‘green’ the organisation.

Recycling

All staff at the organisation have a dedicated bin next to their desk to collect recyclable paper material, leading to less material reaching landfill. In 2011-12 RTA staff recycled approximately 2.3 tonnes of paper.

The RTA Board endorsed a recommendation to begin receiving all meeting papers and documents electronically in order to reduce paper waste.

Recycling bins are also available in all kitchens for use by staff, and programs are in place to ensure toner cartridges and fluorescent tubing materials are recycled appropriately.

Using energy wisely

There are a number of ways the RTA ensures the responsible use of energy on its premises.

Electronic communication is used to reduce paper wastage. Staff and stakeholder newsletters *Our House* and *Open House* are delivered electronically only, saving resources such as paper, ink and electricity in production.

The internal newsletter *Our House* keeps staff informed of new and existing environmental initiatives and seeks feedback on how the staff and organisation can better protect our environment and reduce energy consumption.

The RTA again participated in Earth Hour in 2012, when all non-essential electrical devices such as photocopiers, microwaves and computers were switched off on Friday 30 March 2012 in preparation for the official Earth Hour the following day.

All lights within the building are energy efficient and are turned off each night and on weekends through our Building Management System.

Conserving water

The RTA office building has impressive water conservation features:

- a 100,000 litre water tank is used to capture rainwater, with 10,000 litres allocated to irrigation purposes and the remaining 90,000 litres for the flushing of toilet facilities
- condensation from air-conditioning units is fed back into the main water storage tank for re-use
- low-flow water-efficient devices are installed in all showers, basins, toilets and urinals
- fire sprinkler test water is fed back into the water tank for re-use
- each floor of the building is fitted with sub-metering, ensuring any water leaks are quickly detected and rectified.

People have the power

The RTA encourages staff to find alternative modes of transport to work.

The building is close to Central railway station and many bus stops, providing excellent access to public transport.

Bays for 25 bikes dedicated solely to RTA staff are located in the building's basement, along with locker and shower facilities.

To create a greener RTA, the Green Awareness Group promotes initiatives within the RTA such as:

- print double-sided black and white where possible
- use scrap paper for notes
- think before you print
- use the waste recycling bins located in the kitchen on each floor
- use the paper recycling bins under each desk
- toner and newspaper recycling
- minimal copying and printing in colour.



1



2



3

- 1 Executive Managers Kylie Lewis (back to camera) and Janet Arber discuss the Six Change Initiatives with Team Leader Peter Bisset and Senior Support Officer Chris Jordan, both from Information Technology and Telecommunications.
- 2 Floor wardens Emma Dalton (Rental Bond Services) and Daniel Turnell (IT&T) lead a fire drill.
- 3 Shane Dekker is congratulated by fellow entrants after being voted 'King Mo' of the RTA during November 2011. The group raised almost \$1,500 for charity.

Our business operations

To achieve our goal of delivering the best possible services to our clients, the RTA is making changes to its business processes.

We are responding to changing client expectations about access to information, and ways of interacting with the RTA. We are streamlining our information management processes and developing our business systems to prepare for the future RTA.

Changing now for the future

After extensive consultation with clients, stakeholders and staff, we have determined our blueprint for the future.

- **We will put clients first** by providing a positive seamless experience
- **We will develop our online capability** by introducing new cost-effective service delivery channels
- **We will deliver more efficient services** by improving the way we collect, store and use information
- **We will maintain compliance** by addressing changing legislative requirements and meeting information standards
- **We will build a positive flexible workforce** by supporting staff to deliver fast, user-friendly and relevant services to clients

Core Client Services Program

The RTA commenced the Core Client Services Program in 2011 to source and implement an integrated business system to replace our current client service systems, which are built on ageing technology. Driving the program is the need to have more flexible and adaptable systems that will allow us to engage with our clients using modern, more convenient service channels.

In 2010-11 the RTA undertook a ‘discovery’ initiative in which we reviewed current and future business processes, determined the technical and business requirements for a new system, and asked rental sector representatives to tell us how they wanted to do business with the RTA. In 2011-12 we used the information gathered to shape the requirements for our new business system, and in November 2011 we released a Request For Offer (RFO) to the market. The procurement process is expected to be completed by the end of 2012, with the planned implementation of the new systems scheduled for 2013-14.

Staff are the key to successful and long-lasting change. We have developed an Organisational Change Management strategy to prepare and support staff through this period of change.

Focus on Organisational Change Management (OCM)

The RTA continues to progress important change initiatives designed to prepare the organisation for the introduction of new technology-based systems and services. Organisational change is not new to the RTA. The RTA has undertaken significant changes since its formation 22 years ago, including the implementation of Dispute Resolution Services and changing from the Rental Bond Authority to the Residential Tenancies Authority. These changes required significant adjustments to our role, products and services.

With our plans to introduce better technologies and services, the RTA has again embarked on an extensive Organisational Change Management agenda, to foster a culture of client focused service and continual improvement.

Our change management activities will encompass:

- developing the range of knowledge and skills staff will need
- finding new ways to deliver client services and engage with clients
- managing increased levels of data
- improving bond lodgment, refund processes, and other client services
- exploring the technology that we will use to improve client services and increase efficiency.

To address these issues, the Six Change Initiatives strategy was developed to highlight areas where improvements could be made. These initiatives are independent of a specific systems solution, but will provide the foundation of improved business processes, quality management, performance measures, improved service delivery, and receptiveness to change and improvement.

The Six Change Initiatives are outlined in the diagram below:

Six Change Initiatives



The initiatives are being rolled out through a series of workshops, meetings and other activities. Staff are encouraged to provide ideas and feedback to help improve key elements of the initiatives and will continue ahead of the introduction of new technologies in 2013-14.

Investing in technology

Information technology systems and processes are central to the provision of quality service to a growing rental sector. To replace our ageing systems the RTA is set to invest in significant technology-based projects in the coming years to ensure quality and timely service remain RTA trademarks.

The RTA's Information Technology and Telecommunications staff continue to take a proactive role in helping the RTA prepare for changes in business technology. In early 2012, their work was restructured into three operational streams:

- **Application Support** focuses on in-house application development and database management of the Bond Management System
- **Business System Services** focuses on the implementation and support of business information systems that improve the operation and efficiency of the RTA
- **IT Operations** focuses on delivery of service activities that include desktop development, network infrastructure, security, servers, storage and telecommunications

New website content management system

A new website content management system went live in December 2011. The new system allows the RTA to take advantage of new technologies to streamline and personalise the user experience, as well as automatically switching to a mobile version of the site when viewed using a phone or tablet (see page 37).

RTA branding refreshed

RTA branding was re-designed in 2011-12, and all RTA print and online publications were updated to include the new corporate design.

A new RTA Style Manual was created, incorporating new Written Style, Visual Identity, and Web Style guides.

The Our House staff newsletter was revamped to improve the online publication's content, presentation and corporate consistency.

Intranet collaboration and communication project

The intranet is a key business and communication tool used by RTA staff. The existing site, developed in 2009, is being reviewed and a blueprint created for the intranet's future development to consolidate its place as a strategic communication and collaboration tool for the RTA.

The intranet project will evaluate the current intranet's effectiveness, including design, navigation and content, and will examine the RTA's business requirements for internal communication and knowledge management. The project will also determine how the internet will integrate with other internal systems, and will review system governance issues.

The project's requirements gathering and needs analysis phase commenced in May 2012 with the final report due to be delivered in early 2012-13.

Quality management reviewed

The RTA continued to review its processes and procedures throughout 2011-12, as opportunities for improvement continue to be implemented or assessed for inclusion in future planning. The Quality Review process is an essential and key business driver underpinning our Quality Management System. Quality Review is an ongoing program, with all processes and procedures reviewed on a cyclical basis. The RTA engaged a new contractor to provide specialist quality assurance support in early 2012.

The RTA retained its Quality Assurance Standard ISO 9001:2008, following a quality audit by SGS Australia Limited. The auditor's comments confirmed strong internal review processes that reinforce the RTA as a quality organisation.

New budgeting system introduced

A new budgeting program was used in 2011-12 in an attempt to cut planning time and to simplify the process of collecting and storing financial information. The new Prophix system has enabled Finance staff to control data security and perform 'what-if' analyses (see page 77).



Executive Managers Kylie Lewis and Janet Arber

What we learnt from the summer of natural disasters

Queensland’s summer season often brings significant weather events that can result in natural disasters. In the summer of 2010-11, around 75 per cent of the state and an estimated 2.5 million Queenslanders were affected by widespread flooding. After the natural disasters, an RTA-wide report was completed in April 2011 to assess possible improvements that could be made to the RTA’s natural disaster response. Several areas were identified for improvement, and in 2011-12, based on the report’s findings, the RTA:

- relocated the disaster recovery site to an improved location
- updated the natural disasters communication plan
- tested the business continuity plan through scenarios and practical engagement
- provided training and awareness to all key staff to be able to competently respond to a crisis event.

Adopted AusGOAL copyright system

The RTA adopted the Australian Governments Open Access and Licensing Framework (AusGOAL) to protect the copyright of its published material following an internal policy review in 2011. AusGOAL is a national system that provides copyright guidelines for the use and re-use of published information. The new RTA website includes the Creative Commons licence. The licence was added to all RTA print and digital publications.

New client identification/anti-money laundering policy introduced

The RTA has undertaken a risk analysis of a range of scenarios which could potentially be deemed as ‘suspicious matters’. The RTA is required to report on suspicious matters under the *Anti-Money Laundering and Counter Terrorism Financing Act 2006*. The RTA received an exemption for the majority of the requirements under the Act. However, a new policy was introduced and communicated to staff on what is deemed to be a suspicious matter for the RTA. Matters to be reported are:

- \$5,000 cash and over lodged over the front counter in one transaction
- \$5,000 cash and over lodged through the incoming mail
- multiple allegations of fraud have been made against a client.

Portfolio Management Office

The RTA’s Portfolio Management Office (PMO) continues to improve its capability to support the development and implementation of approved RTA projects.

The PMO:

- reports monthly to the Information Portfolio Management Steering Committee on the status of projects
- develops and manages the RTA’s portfolio management framework
- assists and coordinates programs, projects and major activities
- provides support, coaching and mentoring to project managers
- ensures that projects are linked to RTA’s strategic goals
- facilitates the information management of project documentation and tracks milestones
- liaises with senior staff in relation to required resources.

Case study
Number twelve

Awards recognise outstanding staff performance

Staff were presented with RTA Staff Recognition Awards at an awards presentation event in December 2011.

The annual awards recognise outstanding performance by individuals and teams. Staff were nominated by colleagues and winners were selected by a panel of staff members.

General Manager Fergus Smith said each of the recipients had been chosen for their hard work and dedication to improve RTA services.

‘The nominees were of a very high standard and each year it gets harder to choose the winners,’ Mr Smith said.

‘This year’s recipients were stand-outs in their areas and are all very deserving winners. They each contributed something extra to the RTA and their colleagues have given them the recognition they deserve by nominating them for these awards.’

The prize for *Above and beyond the call of duty* (individual) was awarded to Michele Briggs (Dispute Resolution Services) for her professionalism and knowledge which helped the RTA-wide Template Review Group deliver a series of office templates that was well received by staff.

The award for *Project/team work resulting in excellence in client service or business process/practices* was presented to Belinda Urquhart and Heather Corkhill who together created the *QCAT Outcomes Newsletter*, which enabled staff to be aware of tenancy decisions made by QCAT.

Daniel Turnell (Information Technology and Telecommunications) and Julia Swanson (Rental Bond Services) were named joint winners of the *Individual excellence in job performance* prize.

‘Their colleagues have given them the recognition they deserve by nominating them for these awards’

Case study

Number thirteen

Making a difference to the homeless

Trevor has visited the Ecumenical Coffee Brigade (ECB) van almost every morning for the past 41 years, to get food and something warm to drink.

Trevor is just one of the many people who benefit from RTA's casual Friday initiative, where staff are asked to donate money in exchange for dressing in casual clothes.

The money is used to assist in providing support for around 170 homeless or disadvantaged people who visit the food van at one of four Brisbane locations, 365 days a year.

RTA General Manager Fergus Smith said RTA staff have been long-term supporters of both the ECB and the Brisbane Youth Service which also offers support services to the homeless.

'Since 2004, staff have donated more than \$20,000 to the Ecumenical Coffee Brigade, and over the past two years staff have raised \$7,000 for the Brisbane Youth Service.'

ECB Operations Manager Chris Cashell said the ongoing support of organisations like the RTA had enabled the service to continue to offer food and support to homeless people.

'We rely on donations of money and we rely on volunteers to help make and distribute food,' Ms Cashell said.

'Without this help, the service would not be able to continue.'

RTA staff have been long-term supporters of both the Ecumenical Coffee Brigade and the Brisbane Youth Service which also offers support services to the homeless

Our finances

To continue delivering high-quality services to a growing client base and to remain self-funded in a volatile investment market smart investment strategies and prudent management will be required to ensure financial sustainability.

We have continued to focus on business improvements through the continued review of our internal and external financial systems and processes.

Our objective

- > maintain accountability and financial sustainability

Our strategies for achieving our objective

- > continually improve corporate support processes that balance governance requirements with business needs
- > monitor and enhance financial strategies to maintain financial sustainability

Performance indicators

- > achieve sound audit results
- > remain self-funding

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See detailed list of Financial Statements and Notes to, and forming part of, the Financial Statements, on the next page

Our finances

key results 2011-12

achieved 5.4%
return on investment (page 79)

\$651.594m
in bonds held (page 79)

\$5.841m
operating result (page 79)

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future priorities

Investment management

> The RTA's financial stability relies on its ability to achieve sound financial returns while controlling investment risks and maintaining appropriate reserves. The RTA will continue to focus on ensuring that RTA funds are invested prudently.

Financial governance

> The RTA is committed to maintaining a high standard of financial governance. The continuation of the Internal Audit Program and the annual audit by the Queensland Audit Office-appointed external auditors are central to the RTA's financial governance framework.

Financial planning and reporting

> The RTA will build on its financial planning and reporting framework to further enhance the monitoring and accountability for RTA performance against its plans.

Capacity development

> The RTA has identified the potential for improvements to business processes and supporting systems to improve the financial management environment.

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 (Qld). 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.

Case study

Number fourteen

RTA crowns budget champions

In May 2012 the RTA marked the successful completion of the draft 2012-13 budgets by acknowledging the organisation's 'budget champions'.

A new program was trialled this year to cut planning time, as well as making it easier for Finance staff to collect and store the information.

Finance Manager Tracey Bennett congratulated the team leaders from Communication and Education, and Claims for being this year's budget champions for embracing the new system.

'I would like to thank all the managers who were really enthusiastic about the new budget system and helped us implement it,' Ms Bennett said.

Assistant Accountant Julie Colebrook said the new system had enabled Finance staff to control data security, perform 'what-if' analyses, and give greater visibility of our budget and financial position through an automated program.

'The new system uses one template for the whole organisation and each business unit inputs their information which is stored and retrieved from one place,' Ms Colebrook said.

'We can keep track of where people are up to in the budget process to ensure budgets are compiled on time. It also helps to keep people informed.'

Finance will expand the capabilities of the new program next year by using it to undertake strategic planning and in-depth business analysis reporting.

'The new system uses one template for the whole organisation'

‘We can keep track of where people are up to in the budget process to ensure budgets are compiled on time. It also helps to keep people informed’

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*.

Sound investment returns

The 2011-12 financial year provided steady growth in investments driven by an overall increase in bond lodgements of \$70.124m to \$651.594m, compared to \$581.470m in 2010-11.

RTA's investment returns were resilient in 2011-12, given the volatile investment market throughout the year. Combined with responsible expenditure management, this resulted in a surplus from continuing operations of \$5.841m.

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 of rental bonds was 5.4% against a budgeted return of 6.5%. This was partially offset by the revaluation of the RTA's investment property that resulted in income of \$3.400m. The result has been an operating income of \$39.640m, down \$6.331m on the result achieved in 2010-11.

Net financial instruments held at the RTA as at 30 June 2012 were \$52.940m compared to \$50.202m the previous year. This is represented by financial assets of \$713.997m (cash and investments) less financial liabilities of \$661.057m (being rental bonds and unclaimed monies held on behalf of clients).

Sound financial position

The RTA has a healthy balance sheet, with no debt and a high level of liquid assets. Total equity increased by 10.8% from 2010-11 and the strong performance in the past year has provided a solid balance sheet position with total net assets of \$59.913m.

- To address the issue of market volatility, the RTA investments are managed with three basic principles:
- 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.

Positive 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 Queensland Investment Corporation (QIC) to ensure investment risks are carefully managed.

Despite falling market yields and the need to meet increased service demands, the RTA anticipates an operating surplus of \$0.231m for the 2012-13 financial year reflecting a forecast return on investment of 5.0%.

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 2011-12 financial year.

Financial performance

2007-08 to 2011-12

	Investment revenue	Expenditure	Surplus/deficit
Financial year	\$'m	\$'m	\$'m
2007-08	23.263	24.319	-1.056
2008-09	7.169	23.816	-16.647
2009-10	40.305	27.083	13.222
2010-11	45.971	35.086	10.885
2011-12	39.640	33.799	5.841

Strategic investment management

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

The RTA aims for best-practice investment management by establishing clearly defined investment goals, an overall investment strategy and investment risk tolerances to meet those goals. Reporting and monitoring arrangements are in place, consistent with, and supportive of, effective corporate governance. The RTA has continued to distinguish RTA earnings from its investments of rental bonds 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 and funds are allocated across a range of asset classes in accordance with the investment strategy adopted by the RTA Board.



Finance staff calculate the average client service cost to ensure the financial effectiveness of our client service delivery.

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.

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

Allocation of investment funds managed through QIC as at 30 June 2012 (\$'m)

Fund type	Investment range	Amount invested	Proportional allocation
Cash Enhanced Fund	0–100%	258.261	38.9%
RTA Credit Fund	0–45%	264.368	39.8%
Global Credit Opportunities Fund	0–20%	54.365	8.2%
Property Fund	0–20%	81.412	12.3%
Overlay		5.120	0.8%
Total		663.526	

Selected financial and operating data

The RTA has compiled the financial information for the financial year ending 30 June 2012 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 Raj Prabhu, of MSI Taylor, appointed by the Queensland Audit Office.

Operating expenditure

This year, expenditure decreased by \$1.287m (3.7%) to \$33.799m primarily due to one-off asset impairment being made in the 2010-11 year.

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 \$1.891m (14.5%) from \$13.068m in 2010-11 to \$14.959m in 2011-12. This is attributable to core agreement increases and an increase in staff levels for projects to improve service delivery and to meet current demands placed on the RTA by the growing Queensland residential rental market.

Total expenditure by type

Expenditure	2011	2012
Salaries and related expenses	40.6%	47.3%
Investment fees	5.0%	5.8%
Grants and subsidies	19.4%	18.8%
Agency fees	4.2%	4.6%
Other expenses	30.8%	23.5%

Grants and subsidies

The RTA provides several major grants each year. Grants decreased by 6.9% from \$6.823m in 2010-11 to \$6.351m in 2011-12 (see below).

RTA grants

Grant	2010-11 \$'m	2011-12 \$'m
Housing Assistance Grant	2.000	0.000
Lady Bowen Trust Grant	0.000	1.000
RTA Community Education Public Grants Scheme	0.167	0.035
Dept of Housing and Public Works to support the Tenant Advice and Advocacy Service Grant	4.345	4.995
Tenants' Union of QLD/QCAT	0.311	0.321
Total	6.823	6.351

Supplies and services increase

Supplies and services rose by \$0.935m (9.0%) from \$10.402m in 2010-11 to \$11.337m in 2011-12. Generally the overall increase is due to expenditure for new projects including the Core Client Services Program.

Improved efficiency reduces costs

The RTA continues to manage its transaction costs through the increased uptake of electronic transactions such as direct deposit of bond refunds into clients' bank accounts.

The website remains a core strategy to reduce costs and improve efficiency, with clients using the website to download forms and fact sheets, reducing production, warehousing and distribution costs to the RTA.

The RTA has continued to focus on business improvements and on enhancing its internal and external financial processes through the continued review of these systems and processes.

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 table below outlines the average cost per client activity for key services to clients in 2010-11 and 2011-12 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

Cost per activity

Activity	2010-11	2011-12
Client Contact Centre	\$14.24	\$14.39
Bond administration	\$11.50	\$11.25
Dispute resolution	\$248	\$266
Investigations	\$2,280	\$1,994

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

For 2011-12, the cost to respond to a client enquiry was \$14.39, up from \$14.24 the previous financial year.

The average cost to process a bond form decreased \$0.25 to \$11.25, down from \$11.50 in 2010-11.

To lodge a dispute and manage the resolution process, the cost increased to \$266 for 2011-12.

Investigations have the highest activity cost of all RTA services at \$1,994, which reflects that criminal law prosecutions may be involved, and that collection of evidence must follow the standards required by law.

Improved financial performance

The financial performance of the RTA is shown in the table on page 79. The table highlights the relationship between the level of investment revenue, expenditure and the surplus or deficit achieved for the last five years.

The RTA had an operating surplus from continuing operations for 2011-12 of \$5.841m, due to sound investment returns coupled with prudent management of operating expenditure.

The RTA's accumulated surplus, which is used to fund all RTA business operating expenses and grants, grew to \$59.913m in 2011-12.

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

Investment property

The RTA owns one investment property at 33 Herschel Street, Brisbane. Since its acquisition in 1998, it has proven to be a sound investment for the organisation, providing capital growth as well as housing RTA offices until early 2010.

The complete 2011-12 RTA Financial Report is available from rta.qld.gov.au/annualreport.

Statement of Comprehensive Income

For the year ended 30 June 2012					
	Notes	Group		Parent	
		2012	2011	2012	2011
		\$'000	\$'000	\$'000	\$'000
Income					
Investment Revenue	3	36,211	45,949	36,211	45,949
Other Revenue	3	28	22	28	22
Other Income					
Gains	4	3,401	–	3,401	–
Total Income		39,640	45,971	39,640	45,971
Expenses					
Employee Expenses	5	14,959	13,068	308	270
Supplies and Services	6	11,337	10,402	25,989	23,203
Grants and Subsidies	7	6,351	6,823	6,351	6,823
Depreciation and Amortisation	8	881	1,168	881	1,168
Asset Impairment	9	–	3,221	–	3,221
Revaluation Decrement	10	–	200	–	200
Other Expenses	11	271	204	270	201
Total Expenses		33,799	35,086	33,799	35,086
Operating Result		5,841	10,885	5,841	10,885

The accompanying notes form part of these statements.

Statement of Financial Position

As at 30 June 2012					
	Notes	Group		Parent	
		2012	2011	2012	2011
		\$'000	\$'000	\$'000	\$'000
Current Assets					
Cash and Cash Equivalents	12	50,055	51,212	50,024	51,171
Other Financial Assets	13	663,526	589,269	663,526	589,269
Receivables	14	1,114	773	1,111	773
Other Assets	15	404	455	404	405
Total Current Assets		715,099	641,709	715,065	641,618
Non Current Assets					
Intangible Assets	16	707	687	707	687
Property, Plant and Equipment	17	2,619	2,986	2,619	2,986
Investment Property	18	7,900	4,500	7,900	4,500
Other Assets	15	1,466	1,673	1,466	1,673
Total Non Current Assets		12,692	9,846	12,692	9,846
Total Assets		727,791	651,555	727,757	651,464
Current Liabilities					
Payables	19a	1,452	2,352	4,305	4,768
Rental Bonds and Unclaimed Monies	19b	659,605	588,213	659,605	588,213
Accrued Employee Benefits	20	1,165	1,184	26	21
Other Liabilities	21	494	494	494	494
Total Current Liabilities		662,716	592,243	664,430	593,496
Non Current Liabilities					
Accrued Employee Benefits	20	1,790	1,374	42	30
Other Liabilities	21	3,372	3,866	3,372	3,866
Total Non Current Liabilities		5,162	5,240	3,414	3,896
Total Liabilities		667,878	597,483	667,844	597,392
Net Assets		59,913	54,072	59,913	54,072
Equity					
Accumulated Surplus	22	59,913	54,072	59,913	54,072
Total Equity		59,913	54,072	59,913	54,072

The accompanying notes form part of these statements.

Statement of Changes in Equity

For the year ended 30 June 2012		
	Accumulated Surplus	Total Equity
	\$'000	\$'000
	Group	
2012		
Balance at beginning of reporting period	54,072	54,072
Other Comprehensive Income:		
Operating Result	5,841	5,841
Balance at the end of the reporting period	59,913	59,913
2011		
Balance at beginning of reporting period	43,187	43,187
Other Comprehensive Income:		
Operating Result	10,885	10,885
Balance at the end of the reporting period	54,072	54,072
	Parent	
2012		
Balance at beginning of reporting period	54,072	54,072
Other Comprehensive Income:		
Operating Result	5,841	5,841
Balance at the end of the reporting period	59,913	59,913
2011		
Balance at beginning of reporting period	43,187	43,187
Other Comprehensive Income:		
Operating Result	10,885	10,885
Balance at the end of the reporting period	54,072	54,072

The accompanying notes form part of these statements.

Statement of Cash Flows

For the year ended 30 June 2012					
		Group		Parent	
		2012	2011	2012	2011
	Notes	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Inflows					
Interest Income		2,694	2,521	2,694	2,521
Bond Lodgements		369,440	341,635	369,440	341,635
Investment Income		32,933	42,910	32,933	42,910
Other Operating Receipts		401	361	401	361
GST Collected on Sales		43	36	43	36
GST Refunds Received		1,741	1,829	1,741	1,829
Outflows					
Bond Claims		(298,047)	(284,335)	(298,047)	(284,335)
Employee Benefits and On-costs		(14,514)	(13,122)	(290)	(266)
Supplies and Services		(12,522)	(11,266)	(26,739)	(24,097)
Grants and Subsidies		(6,354)	(6,823)	(6,354)	(6,823)
Other Expenses		(351)	(234)	(348)	(220)
GST Paid on Purchases		(1,827)	(1,770)	(1,827)	(1,770)
Net cash provided by operating activities	23	73,637	71,742	73,647	71,781
Cash flows from investing activities					
Inflows					
Proceeds from Sale of Investment Securities		28,100	41,000	28,100	41,000
Outflows					
Purchase of Property, Plant and Equipment		(120)	(208)	(120)	(208)
Purchase of Intangible Assets		(416)	(597)	(416)	(597)
Purchase of Investment Securities		(102,358)	(100,539)	(102,358)	(100,539)
Net cash used in investing activities		(74,794)	(60,344)	(74,794)	(60,344)
Net increase in cash and cash equivalents		(1,157)	11,398	(1,147)	11,437
Cash and cash equivalents as at beginning of financial year		51,212	39,814	51,171	39,734
Cash and cash equivalents at end of financial year		50,055	51,212	50,024	51,171

The accompanying notes form part of these statements.

Notes to, and forming part of, the financial statements

For the year ended 30 June 2012 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 (QLD)* (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;
- b. to receive, hold and pay rental bonds under this Act;
- 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;
- 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;
- e. to provide information, educational and advisory services about the operation of this Act;
- f. to collect and analyse information about residential tenancy issues and rooming accommodation agreements;
- g. to provide a conciliation service to parties to disputes about residential tenancy agreements and rooming accommodation agreements;
- h. to intervene in, or support, proceedings about the application of this Act to residential tenancy agreements and rooming accommodation agreements;
- 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 Housing and Public Works.

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 consolidated General Purpose

Financial Report for the 2011-12 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 is available on our website: **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 ended 30 June 2012, other authoritative pronouncements and the requirements prescribed by:

- *Residential Tenancies and Rooming Accommodation Act 2008* (Qld); and
- *Statutory Bodies Financial Arrangements Act 1982* (Qld).

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.

(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 13).

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, including all other costs incurred in getting the assets ready for use, such as 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, less any anticipated residual value, is amortised over its estimated useful life to the RTA. 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).

Notes to, and forming part of, the financial statements (cont'd)

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)
Plant and Equipment—	
Leasehold improvements	10
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.

Rental revenue from investment property is recognised as income on a periodic straight line basis over the lease term.

(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 Act 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.

All disclosures relating to the measurement basis and financial risk management of other financial instruments held by the RTA are included in Note 26.

(s) Employee Benefits

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

All employees of the RTEO and 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 4).

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*.

Key Executive Management Personnel and Remuneration

Key executive management personnel and remuneration disclosures are made in accordance with the section 5 of the *Financial Reporting Requirements for Queensland Government Agencies* issued by Queensland Treasury. Refer to note 29 for the disclosures on key executive management personnel and remuneration.

Notes to, and forming part of, the financial statements (cont'd)

(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. The RTA would have fallen below the 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 preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

Intangible Asset – note 15

The Australian government passed its *Clean Energy Act* in November 2011 with a start date of 1 July 2012. The legislation will result in the introduction of a price on carbon emissions made by Australian businesses from 1 July 2012.

The flexible market-based price phase of the carbon pricing mechanism will commence on 1 July 2015. It will be preceded by a three-year period during which the price of permits will be fixed at \$23 per tome or carbon dioxide equivalent in year one, \$24.15 in year two and \$25.40 in year three.

Section 4.3.4 of Queensland Treasury's report on 'Carbon Price Impacts for Queensland' dated August 2011 indicates that, for non-residential construction activities, costs may increase by between 0.7 per cent and 0.8 per cent over the period 2012-13 to 2015-16.

On this basis and other information available, the introduction of the carbon pricing mechanism is not expected to have a significant impact on the RTA or its controlled entity's critical accounting estimates, assumption and management judgements.

(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 2011-12. Australian accounting standard changes applicable for the first time for 2011-12 have had minimal effect on the RTA and its controlled entity's financial statements, as explained below.

AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* [AASB1, AASB7, AASB 101 & AASB 134 and *Interpretation 13*] became effective from reporting periods beginning on or after 1 January 2011. Given the RTA and its controlled entity's existing financial instruments, there was only a minor impact on the RTA and its controlled entity's financial instruments note (note 26), in relation to disclosures about credit risk. The note no longer needs to disclose amounts that best represent the maximum exposure to credit risk where the carrying amount of the instruments already reflect this. As this was the case with all the RTA and its controlled entity's receivables as at 30 June 2012 (and as at 30 June 2011), receivables are not included in the credit risk disclosure in this year's financial statements.

As the RTA and its controlled entity hold no collateral or other credit enhancements in respect of its financial instruments, and did not renegotiate the terms of any financial assets, during the reporting periods presented in these financial statements, there were no other changes required to the RTA and its controlled entity's financial instruments note arising from the amendments to AASB 7 *Financial Instruments: Disclosures*.

AASB 1054 *Australian Additional Disclosures* became effective from reporting periods beginning on or after 1 July 2011. Given the RTA and its controlled entity's previous disclosure practices, AASB 1054 had minimal impact on the RTA and its controlled entity. One of the footnotes to note 11 Other Expenses, regarding audit fees, has been slightly amended to identify the RTA and its controlled entity's auditor and clarify the nature of the work performed by the auditor.

AASB 2011-1 *Amendments to Australian Accounting Standards arising from Trans-Tasman Convergence Project* [AASB1, AASB5, AASB101, AASB107, AASB 108, AASB121, AASB 128, AASB 132 & AASB 134 and *Interpretations 2*, 112 & 113] also became effective from reporting periods beginning on or after 1 July 2011. The only potential implication for the RTA and its controlled entity from the amending standard was the deletion from AASB 101 *Presentation of Financial Statements* of the requirement for disclosure of commitments. However, Treasury Department's Financial Reporting Requirements require continuation

of commitments disclosures, so this deletion from AASB 101 has no impact on the RTA and its controlled entity's commitments note (note 25).

The RTA and its controlled entity are not permitted to early adopt a new or amended 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 applies standards and interpretations in accordance with their respective dates.

At the date of authorisation of the financial report, the expected impacts of new or amended Australian accounting standard with future commencement dates are as set out below.

AASB 2011-9 *Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income* [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] applies as from reporting periods beginning on or after 1 July 2012. The only impact for the RTA and its controlled entity will be that, in the Statement of Comprehensive Income, items with the 'Other Comprehensive Income' section will need to be presented in different subsections, according to whether or not they are subsequently re-classifiable to the operating result. Whether subsequent re-classification is possible depends on the requirements or criteria in the accounting standard/interpretation that relates to the item concerned.

AASB 13 *Fair Value Measurement* applies from reporting periods beginning on or after 1 January 2013. AASB 13 sets out a new definition of "fair value", as well as new principles to be applied when determining the fair value of assets and liabilities. The new requirements will apply to all of the RTA and its controlled entity's assets and liabilities (excluding leases) that are measured and/or disclosed at fair value or another measurement based on fair value. The potential impacts of AASB 13 relate to the fair value measurement methodologies used, and financial statement disclosures made in respect of, such assets and liabilities.

The RTA and its controlled entity has commenced reviewing its fair value methodologies (including instructions to valuers, data used and assumptions made) for all items of property, plant and equipment measured at fair value to determine whether those methodologies comply with AASB 13. To the extent that the methodologies don't comply, changes will be necessary. While the RTA and its controlled entity is yet to complete this review, no significant changes are anticipated, based on the fair value methodologies presently used. Therefore, at this stage, no consequential material impacts are expected for the RTA and its controlled entity's property, plant and equipment as from 2013-14.

AASB 13 will require an increased amount of information to be disclosed in relation to fair value measurements for both assets and liabilities. To the extent that any fair value measurement for an asset or liability uses data that is not "observable" outside the department, the amount of information to be disclosed will be relatively greater.

Notes to, and forming part of, the financial statements (cont'd)

AASB 9 *Financial Instruments* (December 2010) and AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9* (December 2010) [AASB 1, 3, 4, 5, 7, 101, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and *Interpretations* 2, 5, 10, 12, 19, & 127] become effective from reporting periods beginning on or after 1 January 2013. The main impacts of these standards on the RTA and its controlled entity are that they will change the requirements for the 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 amortised cost or fair value. Pursuant to AASB 9, financial assets can only be measured at amortised cost if two conditions are met. One of these conditions is that the asset 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.

The RTA and its controlled entity has commenced reviewing the measurement of its financial assets against the new AASB 9 classification and measurement requirements. However, as the classification of financial assets at the date of initial application of AASB 9 will depend on the facts and circumstances existing at that date, the RTA and its controlled entity's conclusions will not be confirmed until closer to that time. At this stage, and assuming no change in the types of transactions the RTA and its controlled entity enters into, it is not expected that any of the RTA and its controlled entity's financial assets will meet the criteria in AASB 9 to be measured at amortised cost. Therefore, as from the 2013-14 financial statements, all of the RTA and its controlled entity's financial assets are expected to be required to be measured at fair value, and classified accordingly (instead of the measurement classifications presently used in notes 1(f) and 26). The same classification will be used for net gains/losses recognised in the Statement of Comprehensive Income is the respect of those financial assets. In the case of the RTA and its controlled entity's current receivables, as they are short-term in nature, the carrying amount is expected to be a reasonable approximation of fair value.

The most significant impact of the new measurement requirements on the RTA and its controlled entity is that the "held to maturity" investment described in notes 1(f), 1(f) 13 and 26 will need to be measured at fair value. In addition, that investment will no longer be classified as "held to maturity". The RTA and its controlled entity is not yet able to reliably estimate what the fair value of this investment will be at the date of initial application of AASB 9. The difference between the carrying amount of this investment and its initial fair value will be recognised as an adjustment to the balance of Accumulated Surplus on initial application of AASB 9. In respect of this change, the 2013-14 financial statements will need to disclose a comparison between the previous measurement classification and carrying amount as at 30 June 2013 and the new classification and fair value amount as at 1 July 2013. AASB 9 allows an entity to make an irrevocable election, at the date of initial recognition, to present in "other comprehensive income" subsequent

changes in the fair value of such an asset. Treasury Department is currently considering mandating this accounting treatment when AASB 9 becomes effective.

Changed disclosure requirements will apply once AASB 9 becomes effective. A number of one-off disclosures will be required in the 2013-14 financial statements to explain the impact of adopting AASB 9. Assuming no change in the types of financial instruments that the RTA and its controlled entity enters into, there will not be a significant ongoing disclosure impact.

The following new and revised standards apply as from reporting periods on or after 1 January 2013 –

- AASB 10 *Consolidated Financial Statements*;
- AASB 11 *Joint Arrangements*;
- AASB 12 *Disclosure of Interests in Other Entities*;
- AASB 127 (revised) *Separate Financial Statements*;
- AASB 128 (revised) *Investments in Associates and Joint Ventures*; and
- AASB 2011-7 *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards* [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and *Interpretations* 5, 9, 16 & 17].

These standards cannot be applied by not-for-profit entities prior to their effective date, as the AASB is presently considering modifying them for application by not-for-profit entities in an Australian context. Any such modifications are likely to clarify how the IASB's principles should be applied by not-for-profit entities. Hence the RTA and its controlled entity is not yet in a position to reliably determine the future implications of these new and revised standards for the RTA and its controlled entity's financial statements.

AASB 10 redefines and clarifies the concept of another entity, which is the basis for determining which entities should be consolidated into an entity's financial statements. Therefore, subject to any not-for-profit modifications yet to be made to AASB 10, the RTA will need to re-assess the nature of its relationship with other entities, including entities that aren't currently consolidated.

AASB 11 deals with the concept of joint control, and sets out new principles for determining the type of joint arrangements that exists – which, in turn, dictates the accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement. Subject to any not-for-profit modifications yet to be made to AASB 11, the RTA and its controlled entity will need to assess the nature of any arrangements with other entities to determine whether a joint arrangement exists in terms of AASB 11.

AASB12 contains a wide range of new disclosure requirements in respect of interest in other entities, whether those entities are controlled entities, associates, joint arrangements, or structured entities that aren't consolidated. The volume and nature of disclosures that the RTA and its

controlled entity will be required to make as from its 2013-14 financial statements will depend on the RTA and its controlled entity's eventual assessment of the implications of the new and revised standards listed above, particularly AASB 10, AASB 11 and AASB 128.

A revised version of AASB 119 *Employee Benefits* applies from reporting periods beginning on or after 1 January 2013. The revised AASB 119 is generally to be applied retrospectively. Given the RTA and its controlled entity's circumstances, the only implications for the department are that the revised standard clarifies the concept of "termination benefits", and the recognition criteria for liabilities for termination benefits will be different. If termination benefits meet the timeframe criterion for "short-term employee benefits", they will be measured according to the AASB 119 requirements for "short-term employee benefits". Otherwise, termination benefits will need to be measured according to the AASB 119 requirements for "other long-term employee benefits". Under the revised standard, the recognition and measurement of employer obligations for "other long-term employee benefits" will need to be accounted for according to most of the requirements for defined benefit plans.

The revised AASB 119 includes changed criteria for accounting for employee benefits as "short-term employee benefits". The RTA and its controlled entity is not a member of the Queensland Government central schemes for annual leave and long service leave, however reviewing this change in criterion there will be minimal impact on the RTA and its controlled entity's financial statements. The revised AASB 119 also includes changed requirements for the measurement of employer liabilities/assets arising from defined benefit plans, and the measurement and presentation of changes in such liabilities/assets. The RTA and its controlled entity only contributes to the QSuper defined benefit plan, and the corresponding employer benefit obligation is held by the State. Therefore, those changes to AASB 119 will have no impact on the RTA.

AASB 1053 *Application of Tiers of Australian Accounting Standards* applies as from reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two tiers of reporting requirements – Australian Accounting Standards (commonly referred to as "tier 1"), and Australian Accounting Standards – Reduced Disclosure Requirements (commonly referred to as "tier 2"). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the tier 1 and tier 2 requirements is that tier 2 requires fewer disclosures than tier 1.

Details of which disclosures in standards and interpretations are not required under tier 2 reporting are set out in amending standards AASB 2010-2, AASB 2011-2, AASB 2011-6 and AASB 2011-11 (which also apply from reporting periods beginning on or after 1 July 2013.) However, Treasury Department's Financial Reporting Requirements effectively do not allow application of AASB 2011-6 in respect of controlled entities, associates or interests in jointly controlled entities.

Pursuant to AASB 1053, public sector entities like the RTA and its controlled entity may adopt tier 2 requirement for their general purpose financial statements. However, AASB 1053 acknowledges the power of a regulator to require application of the tier 1 requirements. In the case of the RTA and its controlled entity, Treasury Department is the regulator. Treasury Department has advised that its policy decision is to require adoption of tier 1 reporting by all Queensland Government departments (including the RTA and its controlled entity) and statutory bodies that are consolidated into the whole-of-government financial statements. Treasury's policy also prohibits the early adoption of the arrangements outlined in AASB 1053 and it's accompanying amending standards. Therefore, the release of ASB 1053 and associated amending standards will have no impact on the RTA and its controlled entity.

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

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 Act.

The RTA manages cash in accordance with Part 3, Division 5 of the Act 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 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 Act. 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 (cont'd)

3. Income

	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
Investment Revenue				
Interest on Cash Assets and Investments				
Return on Investments	32,933	42,910	32,933	42,910
Bank Interest	2,905	2,700	2,905	2,700
Property Rental (refer note 18)	373	339	373	339
Total Investment Revenue	36,211	45,949	36,211	45,949
Other Revenue				
Sundry Income	26	18	26	18
Bad Debts Recovered	2	4	2	4
Total Other Revenue	28	22	28	22
Total Income	36,239	45,971	36,239	45,971

4. Gains

Gain on Sale of Property, Plant and Equipment	1	–	1	–
Gain on Revaluation of Investment Property				
Land	3,350	–	3,350	–
Building	50	–	50	–
Total Gains	3,401	–	3,401	–

5. Employee Expenses

Employee Benefits				
Salaries and Wages	11,869	10,843	187	176
Allowances	106	130	–	–
Employee Leave Entitlements	578	119	17	9
Employee Superannuation Contributions	1,427	1,318	20	19
Less: Capitalised costs	(64)	(241)	–	–
Total Employee Benefits	13,916	12,169	224	204
Employee Related Expenses				
Fringe Benefits Tax	35	41	28	38
Workers Compensation Insurance *	70	41	2	1
Payroll Tax *	661	606	34	26
Other Employee Related Expenses	277	211	20	1
Total Employee Related Expenses	1,043	899	84	66
Total Operating Employee Costs	14,959	13,068	308	270

* 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	
	2012	2011	2012	2011
	No.	No.	No.	No.
The number of employees including both full-time and part-time employees measured on a full-time equivalent basis is:	177	166	1	1

6. Supplies and Services

	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
Advertising	89	99	23	23
Outsourced Services				
• Display Stands	136	165	136	165
• Incoming Mail	55	81	55	81
• Lodgements	119	111	119	111
• Mailout/EDI	184	146	184	146
• Refunds	1,027	882	1,027	882
• Mailing House	51	76	51	76
Archival Fees and Charges	45	66	45	66
Bank Charges	51	46	51	46
Board Fees	36	40	36	40
Board Expenses	10	11	10	11
Cleaning	59	58	59	58
Contractors and Consultants	3,896	3,135	3,816	3,085
Council Rates	100	88	100	88
Electricity	125	93	125	93
Equipment Expensed	173	123	173	123
Investment Fees	1,951	1,756	1,951	1,756
Legal Expenses	129	187	129	187
Operating Lease Rental	1,325	1,256	1,325	1,256
Postage	405	381	405	381
Printing and Stationery	220	252	220	252
Repairs and Maintenance	141	150	141	150
RTEO Service Fees	–	–	14,880	13,185
Software Maintenance	276	242	276	242
Telephone	230	214	230	214
Travel Expenses	100	67	99	65
Other Supplies and Services	404	677	387	662
Less: Capitalised Costs	–	–	(64)	(241)
Total Supplies and Services	11,337	10,402	25,989	23,203

7. Grants and Subsidies

Food Related Housing Assistance Grant	–	2,000	–	2,000
Lady Bowen Trust Grant	1,000	–	1,000	–
RTA Community Education Public Grants Scheme	35	167	35	167
Tenant Advice and Advocacy Service (Qld) Grant TAAS (Q)	4,995	4,345	4,995	4,345
Other Grants	321	311	321	311
Total Grants and Subsidies	6,351	6,823	6,351	6,823

Notes to, and forming part of,
the financial statements (cont'd)

8. Depreciation and Amortisation

	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
Depreciation and amortisation were incurred in respect of:				
• Plant and Equipment	48	49	48	49
• Computer Equipment	161	259	161	259
• Leashold Improvements	276	275	276	275
Intangible Assets:				
• Internally Generated Software	324	556	324	556
• Purchased Software	72	29	72	29
Total Depreciation and Amortisation	881	1,168	881	1,168

9. Asset Impairment

Impairment of Intangible Assets	–	3,221	–	3,221
Total Asset Impairment	–	3,221	–	3,221

10. Revaluation Decrement

Land	–	100	–	100
Buildings	–	100	–	100
Total Asset Impairment	–	200	–	200

11. Other Expenses

External Audit Fees *	36	32	35	29
Internal Audit Fees	100	59	100	59
Bad and Impaired Debts	59	39	59	39
Insurance Premiums ²	76	64	76	64
Loss from Disposal of Property, Plant and Equipment	–	10	–	10
Total Other Expenses	271	204	270	201

* Total external audit fees paid to Queensland Audit Office relating to the 2011-12 financial year are estimated to be \$32,300 for the Group and \$29,000 for the Parent (2011: \$35,000 for the Group and \$31,700 for the Parent). There are no non-audit services included in this amount.

12. Cash and Cash Equivalents

Petty Cash	6	1	6	1
Cash at Bank	3,549	4,211	3,518	4,170
Term Deposits	46,500	47,000	46,500	47,000
Total Cash and Cash Equivalents	50,055	51,212	50,024	51,171

Interest earned on cash held with the Commonwealth Bank of Australia ranged between 3.45% and 4.70% (2011: 4.45% to 4.70%). The term deposits earned interest between 4.80% and 6.35% (2011: 6.06% to 6.35%).

13. Other Financial Assets

	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
Managed Funds – QIC	663,526	589,269	663,526	589,269
Total Other Financial Assets	663,526	589,269	663,526	589,269

	Group			
	Annual average return on investments	Treasurer approved strategic asset allocation parameter	Actual Allocation	Amount \$'000

Represented by QIC Investment Products as at 30 June 2012				
QIC Cash Enhanced Fund	5.13%	0–100%	38.92%	258,261
QIC Global Credit Fund	5.41%	0–45%	39.84%	264,368
QIC Global Credit Opportunities Fund	1.48%	0–20%	8.19%	54,365
QIC Property Fund	9.51%	0–20%	12.27%	81,412
Duration Overlay *	–	–	0.76%	5,120
Total Portfolio	5.45%	–	100.00%	663,526
QIC Investment Products as at 30 June 2011				
QIC Cash Enhanced Fund	6.46%	0–100%	38.35%	225,990
QIC Global Credit Fund	6.88%	0–45%	39.04%	230,027
QIC Global Credit Opportunities Fund	19.67%	0–20%	9.09%	53,570
QIC Property Fund	11.25%	0–20%	12.62%	74,341
Duration Overlay *	–	–	0.90%	5,341
Total Portfolio	8.34%	–	100.00%	589,269

	Parent			
	Annual average return on investments	Treasurer approved strategic asset allocation parameter	Actual Allocation	Amount \$'000

Represented by QIC Investment Products as at 30 June 2012				
QIC Cash Enhanced Fund	5.13%	0–100%	38.92%	258,261
QIC Global Credit Fund	5.41%	0–45%	39.84%	264,368
QIC Global Credit Opportunities Fund	1.48%	0–20%	8.19%	54,365
QIC Property Fund	9.51%	0–20%	12.27%	81,412
Duration Overlay *	–	–	0.76%	5,120
Total Portfolio	5.45%	–	100.00%	663,526
QIC Investment Products as at 30 June 2011				
QIC Cash Enhanced Fund	6.46%	0–100%	38.35%	225,990
QIC Global Credit Fund	6.88%	0–45%	39.04%	230,027
QIC Global Credit Opportunities Fund	19.67%	0–20%	9.09%	53,570
QIC Property Fund	11.25%	0–20%	12.62%	74,341
Duration Overlay *	–	–	0.90%	5,341
Total Portfolio	8.34%	–	100.00%	589,269

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

Notes to, and forming part of,
the financial statements (cont'd)

14. Receivables

	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
Accrued Interest Revenue	698	487	698	487
Debtors	129	45	127	45
Other	–	1	–	1
	827	533	825	533
GST Receivable	287	250	286	250
GST Payable	–	(10)	–	(10)
	287	240	286	240
Total Receivables	1,114	773	1,111	773

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.

15. Other Assets

Current				
Prepayments	191	194	191	191
Wages Paid in Advance	–	48	–	1
Operating Lease Rights	213	213	213	213
Total Current	404	455	404	405
Non-Current				
Operating Lease Rights	1,460	1,673	1,460	1,673
Prepayments	6	–	6	–
Total Non-Current	1,466	1,673	1,466	1,673
Total Other Assets	1,870	2,128	1,870	2,078

16. Intangible Assets

Software Purchased				
At cost	504	235	504	235
Less: Accumulated Amortisation	(227)	(155)	(227)	(155)
	277	80	277	80
Software Internally Generated				
At cost	2,995	2,849	2,995	2,849
Less: Accumulated Amortisation	(2,565)	(2,242)	(2,565)	(2,242)
	430	607	430	607
Total Intangible Assets	707	687	707	687

16. Intangible Assets (cont'd)

Intangible Assets Reconciliation			
	Software Internally Generated	Software Purchased	Total
	\$'000	\$'000	\$'000
	Group		
2012			
Carrying amount at 1 July 2011	607	80	687
Acquisitions	147	269	416
Amortisation	(324)	(72)	(396)
Carrying amount at 30 June 2012	430	277	707
2011			
Carrying amount at 1 July 2010	3,787	116	3,903
Acquisitions	597	–	597
Disposals	–	(7)	(7)
Impairment Losses recognised in Operating Surplus *	(3,221)	–	(3,221)
Amortisation	(556)	(29)	(585)
Carrying amount at 30 June 2011	607	80	687
	Parent		
2012			
Carrying amount at 1 July 2011	607	80	687
Acquisitions	147	269	416
Amortisation	(324)	(72)	(396)
Carrying amount at 30 June 2011	430	277	707
2011			
Carrying amount at 1 July 2010	3,787	116	3,903
Acquisitions	597	–	597
Disposals	–	(7)	(7)
Impairment Losses recognised in Operating Surplus *	(3,221)	–	(3,221)
Amortisation	(556)	(29)	(585)
Carrying amount at 30 June 2011	607	80	687

* The impairment relates to eLodgement functionality as this software is no longer being used by the Residential Tenancies Authority.

Notes to, and forming part of,
the financial statements (cont'd)

17. Property, Plant And Equipment

	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
Leasehold Improvements				
At cost	2,874	2,874	2,874	2,874
Less: Accumulated Depreciation	(717)	(441)	(717)	(441)
	2,157	2,433	2,157	2,433
Plant and Equipment				
At cost	439	431	439	431
Less: Accumulated Depreciation	(310)	(261)	(310)	(261)
	129	170	129	170
Computer Hardware				
At cost	1,529	1,686	1,529	1,686
Less: Accumulated Depreciation	(1,196)	(1,303)	(1,196)	(1,303)
	333	383	333	383
Total Property, Plant and Equipment	2,619	2,986	2,619	2,986

17. Property, Plant And Equipment (cont'd)

Property, Plant and Equipment Reconciliation

	Leasehold Improvements	Plant and Equipment	Computer Hardware	Total
	\$'000	\$'000	\$'000	\$'000
	Group			
2012				
Carrying amount at 1 July 2011	2,433	170	383	2,986
Acquisitions	–	8	112	120
Disposals	–	–	(1)	(1)
Depreciation	(276)	(49)	(161)	(486)
Carrying amount at 30 June 2012	2,157	129	333	2,619
2011				
Carrying amount at 1 July 2010	2,706	253	405	3,364
Acquisitions	2	–	206	208
Disposals	–	(1)	(3)	(4)
Transfers between Classes	–	(34)	34	–
Depreciation	(275)	(48)	(259)	(582)
Carrying amount at 30 June 2011	2,433	170	383	2,986
	Parent			
2012				
Carrying amount at 1 July 2011	2,433	170	383	2,986
Acquisitions	–	8	112	120
Disposals	–	–	(1)	(1)
Depreciation	(276)	(49)	(161)	(486)
Carrying amount at 30 June 2012	2,157	129	333	2,619
2011				
Carrying amount at 1 July 2010	2,706	253	405	3,364
Acquisitions	2	–	206	208
Disposals	–	(1)	(3)	(4)
Transfers between Classes	–	(34)	34	–
Depreciation	(275)	(48)	(259)	(582)
Carrying amount at 30 June 2011	2,433	170	383	2,986

Notes to, and forming part of,
the financial statements (cont'd)

18. Investment Property

	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
Land				
At independent valuation	6,850	3,500	6,850	3,500
	6,850	3,500	6,850	3,500
Buildings				
At independent valuation	1,050	1,000	1,050	1,000
	1,050	1,000	1,050	1,000
Total Investment Property	7,900	4,500	7,900	4,500

An independent valuation of land and buildings was performed as at 30 June 2012 by qualified valuer Mr Shaun Henderson of Asserval. 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.

The investment property is leased based on a 7 month non-cancellable operating lease arrangement ending December 2011.

No contingent rentals were recognised during the current or prior reporting periods.

The investment property is currently not leased therefore the future minimum lease payments receivable is nil.

18. Investment Property (cont'd)

	Land	Land	Buildings	Buildings	Total	Total
	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Group					
Investment Property Reconciliation						
Carrying amount at 1 July	3,500	3,600	1,000	1,100	4,500	4,700
Revaluation Increments/(Decrements)	3,350	(100)	50	(100)	3,400	(200)
Carrying amount at 30 June	6,850	3,500	1,050	1,000	7,900	4,500
	Parent					
Carrying amount at 1 July	3,500	3,600	1,000	1,100	4,500	4,700
Revaluation Increments/(Decrements)	3,350	(100)	50	(100)	3,400	(200)
Carrying amount at 30 June	6,850	3,500	1,050	1,000	7,900	4,500

Rental income recognised in the operating surplus from the investment property is \$0.373 million (2011: \$0.339 million).

Direct operating expenses primarily for repairs and maintenance on the property that did generate rental for the period were \$0.037 million (2011: \$0.032 million).

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.

19. Payables

	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
a. Payables				
Trade Creditors	1,440	2,284	1,173	2,028
Payables to RTEO	–	–	3,121	2,672
Payments Received in Advance	1	68	–	68
International Transfers	11	–	11	–
	1,452	2,352	4,305	4,768
b. Rental Bonds and Unclaimed Monies				
Rental Bonds	651,594	581,470	651,594	581,470
Australia Post Agency Net Settlement	658	362	658	362
Unclaimed Bond Monies	7,349	6,377	7,349	6,377
Unclaimed Other Monies	4	4	4	4
	659,605	588,213	659,605	588,213
Total Payables	661,057	590,565	663,910	592,981

20. Accrued Employee Benefits

Current				
Annual Leave	973	988	24	19
Long Service Leave	188	189	2	2
Time Off In Lieu	4	7	–	–
Total Current	1,165	1,184	26	21
Non-Current				
Long Service Leave	1,790	1,374	42	30
Total Non-Current	1,790	1,374	42	30
Total Accrued Employee Benefits	2,955	2,558	68	51

The discount rates used to calculate the present value of non-current employee benefits is 2.74%(2011: 4.96%). All provisions include associated on-costs.

Notes to, and forming part of,
the financial statements (cont'd)

21. Other Liabilities				
	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
Current				
Lease Incentive	494	494	494	494
Total Current	494	494	494	494
Non-Current				
Lease Incentive	3,372	3,866	3,372	3,866
Total Non-Current	3,372	3,866	3,372	3,866
Total Other Liabilities	3,866	4,360	3,866	4,360

22. Accumulated Surplus				
Movements:				
Opening Balance at 1 July	54,072	43,187	54,072	43,187
Operating Result	5,841	10,885	5,841	10,885
Closing Balance as at 30 June	59,913	54,072	59,913	54,072

23. Reconciliation Of Operating Surplus To Net Cash From Operating Activities				
	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
Reconciliation of Cash				
Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:				
Total Cash & Cash Equivalents	50,055	51,212	50,024	51,171
Balance per Statement of Cash Flows	50,055	51,212	50,024	51,171
Operating Surplus	5,841	10,885	5,841	10,885
Add:				
• Depreciation and Amortisation	881	1,168	881	1,168
• Increase in Accrued Employee Benefits	397	(90)	17	5
• Decrease in Other Assets	213	214	213	214
• Decrease in Prepayments	45	83	(5)	39
• Increase in Unclaimed Bonds	972	814	972	814
• Increase in Rental Bonds	70,124	56,252	70,124	56,252
• Loss on Sale of Assets	–	10	–	10
• Revaluation Decrement	–	200	–	200
• Asset Impairment	–	3,221	–	3,221
	78,473	72,757	78,043	72,808
Less:				
• Decrease in Accrued Employee Benefits	–	–	–	–
• Decrease in Other Liabilities	494	494	494	494
• Increase in Receivables	338	115	335	118
• Decrease in Trade Creditors	604	406	167	415
• Gain on Revaluation of Investment Property	3,400	–	3,400	–
Net Cash from Operating Activities	73,637	71,742	73,647	71,781

24. Financing Arrangements				
Access was available at balance date to the following lines of credit:				
Corporate Credit Cards	200	200	200	200

Notes to, and forming part of,
the financial statements (cont'd)

25. Commitments For Expenditure

	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
(a) Capital Commitments				
The RTA and its controlled entity has no capital commitments as at the reporting date.				
(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:				
• Australia Post	980	2,210	980	2,210
• Oakton Limited	893	–	893	–
• Telecommunications	216	574	216	574
• Other	1,311	918	1,311	918
	3,400	3,702	3,400	3,702
These expenditures are payable:				
• Not later than one year	3,314	3,087	3,314	3,087
• Later than one year and not later than 5 years	86	615	86	615
	3,400	3,702	3,400	3,702
(c) Finance Lease Commitments				
The RTA and its controlled entity 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	18,438	20,415	18,438	20,415
Total Future Minimum Lease Payments				
• Not later than one year	2,055	1,977	2,055	1,977
• Later than one year and not later than 5 years	9,062	8,718	9,062	8,718
• Later than 5 years	7,321	9,720	7,321	9,720
	18,438	20,415	18,438	20,415

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 21.

26. Financial Instruments

(a) Categorisation of Financial Instruments					
The RTA and its controlled entity have the following categories of financial assets and financial liabilities:					
		Group		Parent	
		2012	2011	2012	2011
Category	Notes	\$'000	\$'000	\$'000	\$'000
Financial Assets					
• Cash and Cash Equivalents	12	50,055	51,212	50,024	51,171
• Other Financial Assets	13	663,526	589,269	663,526	589,269
• Receivables	14	416	286	413	286
Total Financial Assets		713,997	640,767	713,963	640,726
Financial Liabilities					
Financial Liabilities measured at Amortised Cost:					
• Payables	19	661,057	590,565	663,910	592,981
Total Financial Liabilities		661,057	590,565	663,910	592,981
(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				

Notes to, and forming part of,
the financial statements (cont'd)

26. Financial Instruments (cont'd)

(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	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
Maximum Exposure to Credit Risk Financial Assets				
• Cash and Cash Equivalents	12	50,055	51,212	50,024
• Other Financial Assets	13	663,526	589,269	663,526
Total Financial Assets		713,581	640,481	713,550

		640,440
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The carrying amount of receivables represents the maximum exposure to credit risk. As such, receivables is not included in the above disclosure.

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 (2011: 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.

26. Financial Instruments (cont'd)

(c) Credit Risk Exposure (cont'd)

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		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Group						
2012							
Financial Assets							
Receivables	415	1	-	-	-	416	416
Total	415	1	-	-	-	416	416
2011							
Financial Assets							
Receivables	285	1	-	-	-	286	286
Total	285	1	-	-	-	286	286
	Parent						
2012							
Financial Assets							
Receivables	412	1	-	-	-	413	413
Total	412	1	-	-	-	413	413
2011							
Financial Assets							
Receivables	285	1	-	-	-	286	286
Total	285	1	-	-	-	286	286

Notes to, and forming part of,
the financial statements (cont'd)

26. Financial Instruments (cont'd)

(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 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.

Notes	Payable in			Total
	< 1 year	> 1 – 5 years	> 5 years	
	\$'000	> \$'000	\$'000	
	Group			
2012				
Financial Liabilities				
Payables19	661,057	–	–	661,057
Total Financial Liabilities	661,057	–	–	661,057
2011				
Financial Liabilities				
Payables19	590,565	–	–	590,565
Total Financial Liabilities	590,565	–	–	590,565
	Parent			
2012				
Financial Liabilities				
Payables19	663,910	–	–	663,910
Total Financial Liabilities	663,910	–	–	663,910
2011				
Financial Liabilities				
Payables19	592,981	–	–	592,981
Total Financial Liabilities	592,981	–	–	592,981

26. Financial Instruments (cont'd)

(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:

		Return on earnings 50 basis points			
		Less than actual		Greater than actual	
		Operating Surplus/(Deficit)	Equity	Operating Surplus/(Deficit)	Equity
		\$'000	\$'000	\$'000	\$'000
		Group			
2012 Interest Rate Risk					
Investment Earning Variation	663,526	(3,318)	(3,318)	3,318	3,318
Actual Result		5,841	59,913	5,841	59,913
Changed Result		2,523	56,595	9,159	63,231
2011 Interest Rate Risk					
Investment Earning Variation	589,269	(2,946)	(2,946)	2,946	2,946
Actual Result		10,885	54,072	10,885	54,072
Changed Result		7,939	51,126	13,831	57,018
		Parent			
2012 Interest Rate Risk					
Investment Earning Variation	663,526	(3,318)	(3,318)	3,318	3,318
Actual Result		5,841	59,913	5,841	59,913
Changed Result		2,523	56,595	9,159	63,231
2011 Interest Rate Risk					
Investment Earning Variation	589,269	(2,946)	(2,946)	2,946	2,946
Actual Result		10,885	54,072	10,885	54,072
Changed Result		7,939	51,126	13,831	57,018

(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.

Notes to, and forming part of,
the financial statements (cont'd)

27. Reconciliation Of Financial Instruments To Net Assets

	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
Net Financial Assets				
• Financial Assets	713,997	640,767	713,963	640,726
• Financial Liabilities	(661,057)	(590,565)	(663,910)	(592,981)
	52,940	50,202	50,053	47,745
Non-financial Assets and Liabilities:				
• Accrued Revenues	698	487	698	487
• Other Assets	1,870	2,128	1,870	2,078
• Property, Plant and Equipment	2,619	2,986	2,619	2,986
• Investment Property	7,900	4,500	7,900	4,500
• Intangible Assets	707	687	707	687
• Accrued Employee Benefits	(2,955)	(2,558)	(68)	(51)
• Other Liabilities	(3,866)	(4,360)	(3,866)	(4,360)
Net Assets as per Statement of Financial Position	59,913	54,072	59,913	54,072

28. Board Disclosures

Section 471 of the 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 Justice and Attorney-General 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 resigned December 2011
Ms Deirdre Coghlan	April 2010	
Mr Bradley Currie	April 2010	
Ms Deborah Duffy	April 2010	

	Group		Parent	
	2012	2011	2012	2011
	No.	No.	No.	No.
Board Members Remuneration				
The number of Board Members who received or were due to receive total remuneration on balance date:				
Remuneration Band:				
\$0 to \$999	–	–	–	–
\$1,000 to \$9,999	7	7	7	7
Total	7	7	7	7

	Group		Parent	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
The total remuneration paid to Board Members:				
Mr John Charles Battams (Chair)	6	8	6	8
Ms Lee Banfield	3	6	3	6
Ms Deirdre Coghlan	4	4	4	4
Mr Bradley Currie	3	4	3	4
Ms Deborah Duffy	7	5	7	5
Ms Helen Roslyn Wallace	4	5	4	5
Mr Roy Charles Ware	7	6	7	6
Total	34	38	34	38

2011-12 board fees include fees of \$32,349 and superannuation of \$1,686. During 2010-11, board fees include fees of \$36,063 and superannuation of \$1,789.

(b) Other Transactions with Board Members and Board Member 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 6 and Note 26(b) of which Ms Banfield is an employee.

Notes to, and forming part of,
the financial statements (cont'd)

28. Board Disclosures (cont'd)

(c) Board Members Appointments and Memberships

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

Board Member	Appointments and/or Memberships
Mr John Charles Battams	Chair, Residential Tenancies Authority
	Member, Audit and Risk Committee, Residential Tenancies Authority
	Director, Lady Bowen Trust Board of Advice
	Management Committee Member, Northern Suburbs Hockey Club Inc
	President, Queensland Council of Unions
	Deputy Chairman, Sunsuper Board
	Director, Sunsuper Financial Services Pty Ltd
	Member, Sunsuper Investment Committee
	Member, Queensland Teachers' Union
	Director, Teachers' Union Health
	Director, Skills Queensland
	Director, Queensland Teachers' Union Health Fund Limited
	Director, Bundaberg Q.C.U. Pty Ltd
	Director, Gladstone Q.C.U. 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
	Director, Fitzroy Park Investments Pty Ltd
	Director, Fitzroy Park Pty Ltd
	Deputy Chairman, Gladstone Ports Corporation Ltd
Ms Helen Roslyn Wallace	Board Member, Residential Tenancies Authority
	Member, Audit and Risk Committee, Residential Tenancies Authority
	Secretary, The Property Owners' Association of Queensland
	Member, The Unit Owners Association of Queensland
Ms Deirdre Coghlan	Board Member, Residential Tenancies Authority
	Life Member, Queensland Shelter
	Member, Queensland Tenants Union
	Member, Bric Housing Company
Ms Deborah Duffy	Board Member, Residential Tenancies Authority
	Director, REIQ
	Director, KAM3 Pty Ltd
Mr Bradley Currie	Board Member, Residential Tenancies Authority
	General Manager, Mununjali Housing & Development Co.
	Chair, South-East Queensland Indigenous Housing Organisation
	Chair, Queensland Aboriginal and Torres Strait Islander Housing Council

29. Key Executive Management Personnel And Remuneration

(a) Key Executive Management Personnel

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the RTA and its controlled entity during 2011-12. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive management.

		Current Incumbents	
Position	Responsibilities	Contract classification and appointment Authority	Date appointed to position
General Manager	The General manager is responsible for the ensuring the authority is managed as required by the policies of the board.	Contract as determined by Governor in Council; s487 Residential Tenancies and Rooming Accommodation Act 2008	Appointed 14 August 2006
Executive Manager Corporate Services	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.	SO-3; s497 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 22 January 2007
Executive Manager Rental Bonds Services	Oversees the RTA's provision of a rental bond custodial service including the processing of all bond lodgements and refunds.	AO8; s497 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 11 May 2009
Executive Manager Dispute Resolution Services	Responsible for managing the RTA's Dispute Management 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.	AO8; s497 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 8 January 2007 (secondment from 1 November 2010, terminated 30/12/2011)
Executive Manager Core Client Services Program	Temporary position, responsible for the Core Client Services Program team, with the primary objective to ensure better systems and business processes for the RTA.	AO8; s497 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 6 June 2011
Executive Manager Policy and Education	Heads the Policy and Education 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 communication channels.	SO-1; s497 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 25 October 1999
Executive Manager Client Contact Services	Heads the RTA's Client Contact centre which provides a free telephone information service for tenants, lessors, agents, residents and accommodation providers.	AO8; s497 <i>Residential Tenancies and Rooming Accommodation Act 2008</i>	Appointed 4 October 2010

Notes to, and forming part of,
the financial statements (cont'd)

29. Key Executive Management Personnel And Remuneration (cont'd)

(b) Remuneration

Remuneration policy for the RTA and its controlled entity is provided for under the Act. Pursuant to this the executive officer is the same person who holds an existing appointment as the General Manager of the RTA. The RTA General Manager is appointed by Governor in Council and not under the Act. The remuneration of the other terms of employment for the General Manager position are specified in the employment contract. The contract provides for the provision of benefits including a motor vehicle.

For the 2011-12 year, the remuneration of key executive management personnel increased by 2.5% for Senior Officers and 4.00% for Administrative Officers, in accordance with government policy.

The remuneration packages for key executive management personnel comprise of the following components:-

- Short term employee benefits which include:
 - Base – consisting of base salary, allowance and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expended in the Statement of Comprehensive Income.
 - Non-monetary benefits – consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee benefits include long service leave accrued.
- Post employment benefits include superannuation contributions.
- Redundancy payments are not provided for within the contract of employment. The contract of employment provides only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee benefits and post employment benefits.

1 July 2011-30 June 2012

Position (date resigned if applicable)	Short Term Employee Benefits		Long Term Employee Benefits	Post Employee Benefits	Termination Benefits	Total Remuneration
	Base	Non-Monetary Benefits				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
General Manager	191	12	5	20	–	228
Executive Manager Corporate Services	136	1	3	16	–	156
Executive Manager Rental Bonds Services	117	–	3	13	–	133
Executive Manager Dispute Resolution Services (until 30/12/2011)	10	–	3	–	101	114
Acting Executive Manager Dispute Resolution Services (21/6/2011 to 6/1/2012)	65	–	3	6	–	74
Executive Manager Dispute Resolution Services / Acting Executive Manager Client Contact Services	111	–	2	13	–	126
Executive Manager Core Client Services Program	111	–	2	12	–	125
Executive Manager Policy and Education Services	128	–	3	14	–	145
Executive Manager Client Contact Services	79	–	2	9	–	90

(b) Remuneration (cont'd)

1 July 2010-30 June 2011

Position (date resigned if applicable)	Short Term Employee Benefits		Long Term Employee Benefits	Post Employee Benefits	Termination Benefits	Total Remuneration
	Base	Non-Monetary Benefits				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
General Manager	172	21	5	19	–	217
Executive Manager Corporate Services	133	8	3	15	–	159
Executive Manager Rental Bonds Services / Acting Executive Manager Core Client Services Program	108	5	3	12	–	128
Executive Manager Dispute Resolution Services (until 31/10/2010)	43	–	3	4	–	50
Executive Manager Dispute Resolution Services (appointed 31/10/2010)	99	–	2	11	–	112
Acting Rental Bond Services / Acting Executive Manager Core Client Services Program	106	–	2	12	–	120
Executive Manager Policy and Education	121	7	3	14	–	145
Executive Manager Client Contact Services (resigned 4/10/2010)	86	–	2	3	10	101
Executive Manager Client Contact Services (appointed 4/10/2010)	84	–	3	9	–	96

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

For the year ended 30 June 2012

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 2012 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

23 August 2012

INDEPENDENT AUDITOR'S REPORT

To the Board of the Residential Tenancies Authority

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Residential Tenancies Authority and the consolidated entity for the year ended 30 June 2012. Where the financial report is included on Residential Tenancies Authority's website the Board is responsible for the integrity of Residential Tenancies Authority's website and I have not been engaged to report on the integrity of Residential Tenancies Authority's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements or otherwise included with the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

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

Report on the Financial Report

I have audited the accompanying financial report of Residential Tenancies Authority, which comprises the statements of financial position as at 30 June 2012, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certificate 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.

Board's Responsibility for the Financial Report

The Board is responsible for the preparation of the fair presentation of the financial report in accordance with the prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard* including compliance with the Australian Accounting Standards (including the Australian Accounting Interpretation). The 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. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about 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 the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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 company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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 be removed only 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.

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 relation to the establishment and keeping of accounts have been complied with in all material respects; and

(ii) the financial report presents 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 2011 to 30 June 2012 and of the financial position as at the end of that year;



R B PRABHU (CPA)
As Delegate of the Auditor-General of Queensland

27 August 2012
Brisbane

RTA publications

Forms

Download RTA forms from our website rta.qld.gov.au or call us on 1300 366 311 to request forms.

Forms for residential tenancies

Use these forms if you are 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 [#]
Form	Direct deposit nomination form

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 service provider/manager
Form R6	Change of shared bond arrangement
Form R7	Part-payment of rental bond
Form R8	Service provider/agent signature record
Form R9	Entry notice
Form R11	Notice to remedy breach
Form R12	Notice to leave
Form R13	Resident leaving
Form R16	Dispute resolution request
Form R18	Rooming accommodation agreement
Form R19	Notice to vacate from mortgagee to resident/s [#]
Form	Renting rooming accommodation in Queensland

[#] Available online only

RTA publications

Fact sheets

The RTA publishes a range of fact sheets providing tenancy information for our clients. The fact sheets are available to download from our website rta.qld.gov.au.

Fact sheets for residential tenancies	Fact sheets for rooming accommodation
Abandoned premises	Dispute resolution services
Allowing time when serving notices – general tenancies	Ending a rooming accommodation agreement
Allowing time when serving notices – moveable dwellings	Entry and privacy
Caravan parks and manufactured homes	Forms
Charging for electricity and other services in a moveable dwelling park	Goods and documents left behind
Continuing a fixed term tenancy	House rules
Dispute resolution services	Power to remove a resident
Domestic violence – information for tenants	Rent
Ending a tenancy agreement	Rental bond
Entry and privacy	Residents with impaired capacity
General tenancy agreements	Rights and responsibilities of residents and providers/agents
Goods and documents left behind	Rooming accommodation agreements
Important renting information for natural disaster victims	Rooming accommodation coverage
Moveable dwelling park closure	
Moveable dwelling tenancy agreements	
Police powers to deal with a serious nuisance	
Rental bond	
Rent payments and holding deposits	
Rental premises – use, condition and repairs	
Renting in Queensland	
Share homes, co-tenancies and sub-letting	
Smoke alarms	
Tenancy databases	
Water charging	

Glossary of terms

acronyms and abbreviations

ABS	Australian Bureau of Statistics
Act, The	<i>Residential Tenancies and Rooming Accommodation Act 2008</i>
ARC	Audit and Risk Committee
AusGOAL	Australian Governments Open Access and Licensing Framework
CALD	Culturally and Linguistically Diverse
CCSP	Core Client Services Program
CSBA	Customer Service Benchmarking Australia
EEO	Equal Employment Opportunity
FTE	Full time equivalent (staff)
IDF	Industry Development Forum
IPMSC	Information Portfolio and Management Steering Committee
NRS	National Relay Service
OCM	Organisational Change Management
PaCSIA	Peace and Conflict Studies Institute Australia
PDS	Performance Development Scheme
PID Act	<i>Public Interest Disclosure Act 2010</i>
POAQ	Property Owners' Association of Queensland
QCAT	Queensland Civil and Administrative Tribunal
QIC	Queensland Investment Corporation
REIQ	Real Estate Institute of Queensland
RTA	Residential Tenancies Authority
RTI Act	<i>Right to Information Act 2009</i>
SPEAK	Skills, Performance, Expertise, Attitude and Knowledge
TAAS(Q)	Tenant Advice and Advocacy Service (Queensland)
TIS	Translating and Interpreting Service
TUQ	Tenants' Union of Queensland

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Letter to The Minister

17 September 2012

The Honourable Dr Bruce Flegg MP
Minister for Housing and Public Works

GPO Box 2457,
Brisbane Qld 4001

Dear Minister

I am pleased to present the Annual Report 2011-2012 and financial statements for the Residential Tenancies Authority.

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*.

A checklist outlining the annual reporting requirements can be found at rta.qld.gov.au/annualreport.

Yours sincerely



John Battams
RTA Chair

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Editor/writer
Linda Siemon

Writer
Selina Sharratt

Project officer
Amanda Tidmarsh

Design
Designfront

Photography
Cathy Taylor

Print
ColourChiefs

In 2011-12 the RTA:

answered
351,490
enquiries

received
1,059,857
website hits

held
492,213
rental bonds

processed
699,315
forms

conducted
646
investigations

received
22,077
dispute resolution requests

The Residential Tenancies Authority (RTA) is the Queensland Government statutory body that administers the *Residential Tenancies and Rooming Accommodation Act 2008*.

The RTA makes a positive difference to the residential rental sector by providing tenancy information, bond management, dispute resolution, investigation, policy and education services.

Contact the RTA

Level 23, 179 Turbot Street
Brisbane Q 4000

GPO Box 390
Brisbane Q 4001

1300 366 311
rta.qld.gov.au

