

# Debt Policy 2024-25



*Dedicated to a better Brisbane*

SECURITY LABEL: OFFICIAL

**Brisbane City Council  
Debt Policy 2024-25****1. LEGISLATION**

Section 184 of the *City of Brisbane Regulation 2012* (the Regulation) provides that, for each financial year, Council must prepare and adopt a debt policy.

**2. OVERVIEW**

This debt policy:

- (a) states the new borrowings planned for the 2024-25 financial year and the next nine financial years; and
- (b) states the period over which Council plans to repay existing and new borrowings; and
- (c) sets out the principles used by Council to borrow for funding purposes.

**3. APPLICABILITY**

This debt policy is effective from the date of Council’s resolution and will apply to the financial year from 1 July 2024 to 30 June 2025.

**4. POLICY**

Debt management is undertaken within approved guidelines, in accordance with Council’s Financial Risk Management Framework and the Queensland Government’s *Statutory Bodies Financial Arrangements Act 1982*.

Council borrows in order to fund business operations. Debt is used to supplement revenue as a means of paying for specific and general capital expenditures, particularly where the assets being funded have long economic lives.

Council also employs a variable rate loan, working capital and overdraft facilities to help fund short-term cashflow requirements that may arise from time to time.

The amount of new borrowings in any one year must be approved as part of the annual budget. Excluding variable rate loan, working capital facility and bank overdraft, which are used as revolving line of credit facilities, any annual new borrowings taken on must also be approved by the Queensland Government Department of State Development, Infrastructure, Local Government and Planning.

The Queensland Government Department of State Development, Infrastructure, Local Government and Planning receives authority to approve these borrowings as part of the annual Queensland Government borrowing program.

**5. PLANNED BORROWINGS**

Based on Council’s Annual Plan and Budget 2024-25, Council forecasts planned borrowings over the next 10 years as follows:

2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million
\$475	\$200	\$50	\$45	\$50	\$0	\$0	\$0	\$0	\$0

The period over which Council plans to repay existing and new borrowings will depend on the nature of the underlying transactions to which borrowings are assigned and can vary from a few days out to 30 years.

Council manages borrowings in order to minimise the cost of funding. This is achieved by targeting the most effective use for these borrowings and the optimal time to draw and repay the borrowings.

**6. AUTHORITY**

Council, 20 June 2024

**7. POLICY OWNER**

Chief Financial Officer, Corporate Finance, Organisational Services

**8. REVIEW DATE**

30 June 2025.