



# **DEBT POLICY**

## **2025-26**

*Adopted by Council Resolution on 26 June 2025*

# Brisbane City Council

## Debt Policy 2025-26

### 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 2025-26 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 2025 to 30 June 2026.

### 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 Local Government, Water and Volunteers.

The Queensland Government Department of Local Government, Water and Volunteers 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 2025-26, Council forecasts planned borrowings over the next 10 years as follows:

2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million
\$200	\$0	\$0	\$0	\$0	\$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, 26 June 2025

### 7. Policy Owner

Chief Financial Officer, Strategic Finance, Corporate Services

### 8. Review Date

30 June 2026