



## F.06 Debt Policy

1	OBJECTIVE .....	1
2	SCOPE .....	1
3	STATEMENT .....	1
3.1	Borrowing Principles .....	1
3.2	Ten Year Loan Program .....	1
4	HUMAN RIGHTS COMPATIBILITY STATEMENT .....	2
5	DEFINITIONS .....	2
6	RELATED POLICIES   LEGISLATION   OTHER DOCUMENTS .....	2
7	VERSION CONTROL .....	2

**Responsible Officer:** Manager Finance & Administration  
**Policy Owner:** Council  
**Policy No:** F.06 **Version:** 13  
**Council Resolution Number:** QSC 154-07-23  
**Effective Date:** 1 July 2023

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## 1 OBJECTIVE

To adopt a policy on borrowings that provides for responsible financial management on the loan funding of infrastructure and other capital projects by ensuring the level of Council indebtedness is within limits acceptable to Council, its ratepayers and interested external parties.

## 2 SCOPE

This policy applies to all borrowings of Council.

## 3 STATEMENT

### 3.1 BORROWING PRINCIPLES

- Council will in general, seek to minimise its dependence on borrowings in order to minimise future revenue committed to debt servicing and redemption charges.
- Council will only borrow funds for the purpose of acquiring assets, improving facilities, services or infrastructure and/or substantially extending their useful life. In no circumstances should funds be borrowed for recurrent expenditure.
- Council may borrow to meet strategic needs or to take advantage of opportunities for development providing there is a demonstrably good return in economic and/or social terms.
- Redemption and interest charges on borrowings, excluding those relating to water and sewerage will not exceed twenty percent of predicted general rates revenue.
- Borrowing's in program areas such as water, sewerage or cleansing are to be repaid from revenue and depreciation generated in those areas and the full costs are to be taken to account in these areas.
- Where borrowings are to be repaid by special rates, the revenue and repayments will be matched as far as is practical. Borrowings will only be repaid early should revenue exceed scheduled repayments and there is a demonstrable benefit to Council.
- Borrowings will only be from Queensland Treasury Corporation (QTC).
- Borrowings will be for a maximum period of twenty years and the term of any loan will not exceed the expected life of the asset being funded. Shorter borrowing periods and earlier repayments will be taken where possible and appropriate.

### 3.2 TEN YEAR LOAN PROGRAM

Financial Year	Debt Details	Loan Term
2023/2024	No new borrowings	-
2024/2025	No new borrowings	-
2025/2026	No new borrowings	-
2026/2027	No new borrowings	-
2027/2028	No new borrowings	-
2028/2029	No new borrowings	-
2029/2030	No new borrowings	-
2030/2031	No new borrowings	-
2031/2032	No new borrowings	-

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**Page 1 of 2**

2032/2033	No new borrowings	-
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## 4 HUMAN RIGHTS COMPATIBILITY STATEMENT

This Policy has been assessed as compatible with the Human Rights protected under the Human Rights Act 2019

## 5 DEFINITIONS

Nil

## 6 RELATED POLICIES | LEGISLATION | OTHER DOCUMENTS

*Local Government Act 2009*

*Local Government Regulation 2012*

*Statutory Bodies Financial Arrangements Act 1982*

*Statutory Bodies Financial Arrangements Regulation 2019*

IX #	Details

## 7 VERSION CONTROL

V1	22-Jan-13	Developed and adopted
V2	01-Jul-13	Reviewed and adopted
V3	10-Jun-14	Reviewed and adopted
V4	16-Jun-15	Reviewed and adopted
V5	08-Jul-16	Reviewed and adopted
V6	14-Jul-17	Reviewed and adopted
V7	22-Jun-18	Reviewed and adopted
V8	14-Jun-19	Reviewed and adopted
V9	12-Jun-20	Reviewed and adopted. Ten year loan program adjusted.
V10	16-Jul-21	Reviewed and adopted. Ten year loan program adjusted.
V11	6-Jul-22	Reviewed and adopted
V12	21-Jul-23	Reviewed and adopted
V13	19-Sep-23	New format

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**Page 2 of 2**