

# **Summons and Agenda 14 October 2025**

**Chief Executive  
Reading Borough Council  
Civic Offices, Bridge Street,  
Reading, RG1 2LU**





**Reading**  
Borough Council  
Working better with you

Jackie Yates  
**CHIEF EXECUTIVE**

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To: All Members of the Council

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6 October 2025

Your contact is: Simon Hill - Committee Services

Dear Sir/Madam

You are hereby summoned to attend a meeting of the Reading Borough Council to be held in the **Council Chamber, Civic Offices, Reading** on **Tuesday, 14 October 2025 at 6.30 pm**, when it is proposed to transact the business specified in the Agenda enclosed herewith.

Yours faithfully

CHIEF EXECUTIVE

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## **A G E N D A**

**1. MAYOR'S ANNOUNCEMENTS**

To receive Mayor's Announcements.

**2. DECLARATIONS OF INTEREST**

To receive any declarations of interest.

**3. MINUTES**

9 - 16

The Mayor to sign the Minutes of the proceedings of the previous Council Meetings.

**4. PETITIONS**

To receive petitions in accordance with Standing Order 8.

**5. QUESTIONS FROM MEMBERS OF THE PUBLIC**

Questions in accordance with Standing Order 9.

**6. QUESTIONS FROM COUNCILLORS**

Questions in accordance with Standing Order 10.

**Reports and Recommendations from Committees**

**7. READING YOUTH JUSTICE PLAN 2025/26**

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Report by Executive Director of Children's Services

**8. PAY POLICY STATEMENT 2025/26**

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Report by Executive Director of Resources

**9. AUDIT AND GOVERNANCE COMMITTEE ANNUAL REPORT**

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Report by Chair of Audit & Governance Committee

**10. AMENDMENTS TO THE CONSTITUTION - BUDGET & POLICY  
FRAMEWORK PROCEDURE RULES / FINANCIAL REGULATIONS**

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Report by Director of Finance

**Motions**

**11. RECOGNITION OF THE STATE OF PALESTINE AND STEPS  
TOWARDS PEACE IN GAZA**

Councillor Terry to move:

We welcome the Labour Government's decision to recognise Palestine as an Independent State delivering its manifesto commitment and taking

a vital step to protect the viability of a two-state solution, which must be part of a wider plan for peace.

Reading Council wishes to see an end to the intolerable suffering of the Palestinian people, unequivocally condemns the horrors of the October 7<sup>th</sup> attack and calls for all hostages to be released. We believe that Britain must play a proactive role in promoting a just and lasting peace between a safe and secure Israel and a viable Palestine state.

Reading Council believes the UK has a moral and legal responsibility to uphold international humanitarian law and act to prevent further civilian suffering in Gaza.

Hamas has been proscribed and sanctioned as a terrorist organisation. We urge that all hostages be released immediately and both sides agree to an immediate ceasefire. Our support for Israel's right to exist and security of its people remains steadfast. But we demand that the Israeli government must change course – halting their offensive in Gaza and letting desperately needed humanitarian aid in.

The Israeli government's relentless bombardment of Gaza, the offensive of recent weeks, the starvation, are utterly intolerable. Tens of thousands have been killed, including as they tried to collect food and water. This death and destruction horrifies us all. It must end.

Reading is home to a diverse community, with many of our residents celebrating different faiths. Every resident in Reading deserves to feel safe, celebrated and valued as part of our town no matter their faith or background and we will continue to champion Reading as diverse and tolerant town.

This Council:

- Welcomes the Government's policy of seeking an immediate ceasefire, the safe return of hostages held by the terrorist group Hamas, as well as those held by the Israeli Government and the urgent need for a two-state solution.
- Welcomes the recent steps towards a peace plan and calls on all parties to bring an end to the humanitarian crisis in Gaza and work to secure peace and a two-state solution.
- Agrees that the Leader of the Council write to the Foreign Secretary to welcome the Government's decision to recognise the state of Palestine as part of progress towards a two-state solution.

### **WEBCASTING NOTICE**

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Members of the public seated in the public gallery will not ordinarily be filmed by the automated camera system. However, please be aware that by moving forward of the pillar, or in the unlikely event of a technical malfunction or other unforeseen circumstances, your image may be captured. **Therefore, by entering the meeting room, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes.**

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**Present:** Councillor Mpofu-Coles (Mayor);

Councillors Gittings (Deputy Mayor), Asare, Ayub, Ballsdon, Barnett-Ward, Cresswell, Cross, Davies, Dennis, Eden, Edwards, Emberson, Ennis, Griffith, Goss, Hacker, Hornsby-Smith, Juthani, Keane, Keeping, Lanzoni, Leng, Lovelock, Magon, McCann, McElroy, McEwan, McGoldrick, McGrother, Mitchell, Moore, Naz, Nikulina, O'Connell, Rowland, R Singh, DP Singh, Stevens, Tarar, Terry, Thompson, White, Williams, Woodward and Yeo

**Apologies:** Councillors Gavin and Hoskin

### 14. **ADMISSION OF HONORARY ALDERMAN OF THE BOROUGH**

The Council considered the admission of a new Honorary Alderman of the Borough.

The following motion was moved by Councillor Rowland and seconded by Councillor Terry and CARRIED:

#### **Resolved –**

That the Council confer the title of Honorary Alderman, in accordance with section 249 (1) of the Local Government Act 1972 and the criteria approved by the Council on 23 February 2022, on Tony Page, for having rendered eminent service on Reading Borough Council as a member for Abbey ward, including a term as Mayor of Reading and having held senior political office.

(The meeting closed at 6.58 pm)

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## COUNCIL MEETING MINUTES - 24 JUNE 2025

**Present:** Councillor Mpofu-Coles (Mayor);

Councillors Gittings (Deputy Mayor), Asare, Ayub, Ballsdon, Barnett-Ward, Cresswell, Cross, Davies, Dennis, Eden, Edwards, Emberson, Ennis, Griffith, Goss, Hacker, Hornsby-Smith, Juthani, Keane, Keeping, Lanzoni, Leng, Lovelock, Magon, McCann, McElroy, McEwan, McGoldrick, McGrother, Mitchell, Moore, Naz, Nikulina, O'Connell, Rowland, R Singh, DP Singh, Stevens, Tarar, Terry, Thompson, White, Williams, Woodward and Yeo

**Apologies:** Councillors Gavin and Hoskin

### 15. MAYOR'S ANNOUNCEMENTS

The Mayor made the following announcement:

On behalf of the Council and the people of Reading I wish to express our heartfelt condolences to the people of India, the Indian community in Reading and all those affected by the tragic plane crash in Ahmedabad.

### 16. MINUTES

The Minutes of the meeting held on 21 May 2025 were agreed as a correct record and signed by the Mayor.

### 17. QUESTIONS FROM COUNCILLORS

	<b>Questioner</b>	<b>Subject</b>	<b>Answer</b>
1.	Cllr R Singh	Street Cleaning	Cllr Rowland
2.	Cllr R Singh	Group-Based Child Sexual Exploitation and Abuse	Cllr Griffith
3.	Cllr O'Connell	Trans Rights and Gender Policing	Cllr Terry
4.	Cllr Moore	Trans Rights and Data Management	Cllr Terry
5.	Cllr Thompson	Engaging with Trans-Led Organisations	Cllr Terry
6.	Cllr Thompson	Homes for Reading	Cllr Yeo
7.	Cllr White	Welcome to Reading	Cllr Terry
8.	Cllr White	Council Spend on Free Food and Alcohol at AGM	Cllr Terry
9.	Cllr White	Winter Fuel Payments U-Turn	Cllr Terry

As there was insufficient time, pursuant to Standing Orders 10(4), written replies to Questions 6-9 above would be provided in accordance with Standing Order 11(3).

(The full text of the questions and replies was made available on the Reading Borough Council website).

**18. RBC CHILDREN'S SERVICES IMPROVEMENT BOARD**

Further to Minute 32 of the meeting of Council held on 28 January 2025, the Chief Executive submitted a report on the setting up of an independently chaired Children's Services Improvement Board as part of the transfer of Children's Services from Brighter Futures for Children Limited (BFfC) to being provided in-house by the Council. Draft Term of Reference for the Board were attached to the report at Appendix 1 and a Governance Framework at Appendix 2.

The report noted that the Board would provide advice and support to the delivery of BFfC's significant transformation programme in place to mitigate demand and manage cost pressures, as well as the action plan to address issues identified in the 2024 inspection of Children's Services. The findings of the Joint Targeted Area Inspection of the multi-agency response to children who were victims of domestic abuse in Reading, which had taken place in March 2025 and been published on 6 May 2025, further reinforced the need for an Improvement Board to be established.

The report set out the proposed terms of reference for the Improvement Board, its constituent members, its governance, reporting arrangements, and the process and timeline to recruit the Independent Chair.

The following motion was moved by Councillor Terry and seconded by Councillor Griffith and CARRIED:

**Resolved –**

- (1) That the draft Terms of Reference for the Children's Services Improvement Board as attached at Appendix 1 be agreed;**
- (2) That the Chief Executive, in consultation with the Leader of the Council and the Lead Councillor for Children's Services be authorised to appoint an Independent Chair of the Improvement Board following a member appointment panel;**
- (3) That the proposed governance structure for reporting, as set out in Appendix 2, be agreed.**

**19. ADDRESSING DELAYS TO DRIVING TESTS**

Pursuant to Notice, a motion was moved by Councillor Moore and seconded by Councillor Thompson.

The following amendment was moved by Councillor Ennis and seconded by Councillor Woodward and CARRIED:

## COUNCIL MEETING MINUTES - 24 JUNE 2025

'Delete all after 'This Council notes' and insert:

- That learner drivers in Reading and across the country have faced unacceptably long delays in securing driving test appointments for a number of years due to the inactivity and lack of interest in supporting learner drivers from the previous Conservative Government, with average waiting times far exceeding the DVSA's target of nine weeks.
- This has caused significant distress and disruption to young people, students, apprentices, and those seeking employment who rely on obtaining a driving licence for work or education.
- This Council welcomes and places on record their thanks for our three Labour Members of Parliament in successfully campaigning to obtain a new permanent and expanded driving test centre at Pacific House, South Reading
- That this new Labour Government has taken urgent action to bring down waiting times for practical driving tests and ensure fair access for all learners with plans to increase driving test capacity and make available an additional 10.000 tests per month at centres across the country as well as cracking down in test-buying bots.
- That the practice of third-party software companies bulk-booking or reselling test slots is being addressed and this will benefit learner drivers in Reading and elsewhere
- That local young people in Reading will benefit from the new test centre and this will create advantages for education, employment, and social mobility.

This Council therefore resolves to:

1. Work with the Labour Government and the Department for Transport to maintain and develop the clear action plan to reduce waiting times for driving tests nationwide, specifically in Reading.
2. Request the Leader of the Council to write to the Secretary of State for Transport, and to Reading's Members of Parliament, thanking them for taking immediate steps to resolve this Conservative caused crisis for learner drivers.
3. Promote awareness of this issue and achievement of the new Driving Test Centre in Reading locally and thank the local Labour MPs for campaign for fair access to driving tests for all.'

The amended substantive motion was then put to the vote and CARRIED as follows:

**Resolved -**

**This Council notes:**

- **That learner drivers in Reading and across the country have faced unacceptably long delays in securing driving test appointments for a number of years due to the inactivity and lack of interest in supporting learner drivers from the previous Conservative Government, with average waiting times far exceeding the DVSA's target of nine weeks.**
- **This has caused significant distress and disruption to young people, students, apprentices, and those seeking employment who rely on obtaining a driving licence for work or education.**

- **This Council welcomes and places on record their thanks for our three Labour Members of Parliament in successfully campaigning to obtain a new permanent and expanded driving test centre at Pacific House, South Reading**
- **That this new Labour Government has taken urgent action to bring down waiting times for practical driving tests and ensure fair access for all learners with plans to increase driving test capacity and make available an additional 10.000 tests per month at centres across the country as well as cracking down in test-buying bots.**
- **That the practice of third-party software companies bulk-booking or reselling test slots is being addressed and this will benefit learner drivers in Reading and elsewhere**
- **That local young people in Reading will benefit from the new test centre and this will create advantages for education, employment, and social mobility.**

**This Council therefore resolves to:**

- 1. Work with the Labour Government and the Department for Transport to maintain and develop the clear action plan to reduce waiting times for driving tests nationwide, specifically in Reading.**
- 2. Request the Leader of the Council to write to the Secretary of State for Transport, and to Reading's Members of Parliament, thanking them for taking immediate steps to resolve this Conservative caused crisis for learner drivers.**
- 3. Promote awareness of this issue and achievement of the new Driving Test Centre in Reading locally and thank the local Labour MPs for campaign for fair access to driving tests for all.**

**20. CONTRIBUTION TO READING OF SIR JOHN MADEJSKI AND SUPPORTERS TRUST AT READING**

The following motion was moved by Councillor Ennis and seconded by Councillor Barnett-Ward and CARRIED:

**Resolved –**

**This Council is pleased that the ownership of Reading Football Club has been secured and we place on record our thanks and appreciation to the supporters, local MPs and organisations, such as the Sell Before We Dai campaign, led by Caroline Parker and Sarah Turner, Chair of STAR. It is their sheer commitment and energy that has saved our football club and it is right and fitting that we have a civic reception for the leaders of the campaign to save Reading Football Club as a thanks from the people of Reading.**

**We should also place on record our thanks to Sir John Madejski, a Freeman of the Borough, for his philanthropic work over the decades to make Reading a better place. Reading has benefitted from the work and generosity of Sir John Madejski with the building of the new football stadium in 1998, the establishment of the John Madejski gallery at the Reading museum in 1999 and the creation of the John Madejski Academy in 2006.**

## **COUNCIL MEETING MINUTES - 24 JUNE 2025**

**This Council notes with dismay the announcement by the Greenshaw Trust's to remove Sir John's name from the Academy that he funded and of which he is rightly proud. It strongly disapproves of this attempt to airbrush from history the contribution to Reading of Sir John Madejski and resolves to seek alternative means by which his legacy to our town can be preserved.**

(The meeting closed at 8.30 pm)

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## Council

14 October 2025



**Reading**  
Borough Council  
Working better with you

<b>Title</b>	Reading Youth Justice Plan 2025/26
<b>Purpose of the report</b>	To make a decision.
<b>Report status</b>	Public report
<b>Executive Director Commissioning Report</b>	Lara Patel, Executive Director Children's Services
<b>Report author</b>	Jonny Bradish, Head of Service, Family Help and Partnerships
<b>Lead Councillor</b>	Cllr Wendy Griffith, Lead Councillor for Children
<b>Corporate priority</b>	<ul style="list-style-type: none"> <li>Promote more equal communities in Reading</li> <li>Safeguard and support the health and wellbeing of Reading's adults and children</li> </ul>
<b>Recommendations</b>	That the 2025/26 Youth Justice plan be approved.

### 1. Executive Summary

- 1.1. The Crime and Disorder Act 1998 places a duty on the Local Authority to produce an annual Youth Justice Plan. The production of a plan is also a condition of the Youth Justice Board Grant. Once agreed, the Plan will be published on the Reading Borough Council website.
- 1.2. The production and sign-off of the Plan is overseen by the multi-agency Youth Justice Partnership through the Youth Justice Management Board which is independently chaired. The structure of the Plan complies with the expectations set out by the Youth Justice Board for England and Wales.

### 2. Policy Context

- 2.1. The Annual Youth Justice Plan is a statutory requirement of the Crime and Disorder Act 1998, requiring the local authority to publish a plan on an annual basis. The plan contributes to the strategic theme of promoting more equal communities in Reading and to safeguard and support the health and wellbeing of Reading's adults and children, as set out in the Corporate Plan.

### 3. The Proposal

- 3.1. This year's Youth Justice plan has been completed, signed off by the Youth Justice Management board, and submitted to the Youth Justice board for England and Wales, as required by the deadline of 30<sup>th</sup> June 2025. It has also been presented to and signed off by the Adult Social Care, Children's Services and Education Committee on 2<sup>nd</sup> July 2025.
- 3.2. The Youth Justice plan includes a review of performance for 2024/25. Notable performance updates include:
  - 27 children became first time entrants, a 27% reduction on the number in the previous year which was 37. This amounts to a rate of 161 per 100,000 children. Whilst the rate remains above comparator groups, this is now marginal.
  - This improvement demonstrates that Page 4 of 7

implementation of the Out of Court disposal Joint Decision-Making Panel, the Turnaround project and other diversionary initiatives. The launch of Youth Diversionary Disposals (Outcome 22) by Thames Valley Police, following challenge from the Youth Justice Management Board and from YJS's across Thames Valley, will further assist the work of the YJS in this area in 2025-26 and beyond.

- We have also seen a significant reduction in the number and rate of children reoffending, from 35.6% in the 12 months to June 22 to 28.1% in the 12 months to June 23. This amounts to a 21% reduction.
- This moves the YJS from a position where the rate of children reoffending was above all comparator groups in the 12 months to June 22, to being below comparator groups except the Thames Valley, which has a marginally lower rate, in the 12 months to June 23.
- The number of reoffences per child has also reduced significantly from 4.9% to 2.6%. in the period most recently available for tracking this data. This represents a 46.5% reduction and is lower than all comparator groups.
- Custodial sentences have also reduced significantly to the point where there were none in the 12 months to March 25. Whilst this coincides with a positive national trend of reducing custodial sentences for children, this represents good progress locally.

3.3. The Youth Justice Management Board met on 4<sup>th</sup> June and agreed on priorities for 2025/26. The board agreed to retain the same seven priorities as last year, outlined below, with the slight amendment, adding to priority 4 the need for a sharper focus on extremist behaviour including violence against women and girls. Seeking to improve educational outcomes for children in the YJS cohort will continue to cut across all seven priorities.

- Reducing First Time Entrants
- Reducing Reoffending
- Reducing the use of custody
- Reducing ethnic disproportionality
- Reducing Serious Youth Violence
- Embedding Child First and Identity Development Practice as the practice model across the partnership
- Improving outcomes for victims of youth crime

The Youth Justice Management Board agreed for these targets to be merged with the HMIP inspection action plan, which becomes our one delivery plan for continuous improvement.

#### **4. Contribution to Strategic Aims**

4.1. The Youth Justice plan contributes towards safeguarding and supporting the health and wellbeing of adults and children in Reading.

#### **5. Environmental and Climate Implications**

5.1. There are no environmental or climate implications linked to the Youth Justice inspection or improvement plan.

#### **6. Community Engagement**

6.1. Feedback from young people, parents, victims and partner agencies has been used to inform the Plan and priorities for the year ahead. The recent establishment of a 'Young People's Board' in April 2025 within the service is the first major step to our commitment for the voice of young people and victims to shape and determine the future of this service.

#### **7. Equality Implications**

7.1. Addressing disproportionality within the criminal justice system is one of the priorities for the

## **8. Other Implications**

- 8.1. Following the inspection outcome, the Youth Justice Service has moved to quadrant 3 of the Youth Justice Board (YJB) 4 quadrant oversight framework. The criteria for this are that there is an identified improvement need or concern and that the service is considered a 'priority service'. The classification enables the Youth Justice Board to undertake focused engagement at a service level (or across regional statutory and/or delivery partners) and, where appropriate, provide support on their improvement journey. De-escalation from quadrants 3 and/or 4 can only be achieved through meeting the agreed exit criteria. These criteria will be defined through engagement with the Youth Justice Board and the Youth Justice Service.
- 8.2. Within the quarterly review meeting held in June, the YJB Oversight Manager was encouraged by the progress that has been made in response to inspection, noted the significant improvement in performance in 2024-25 compared to 2023-24 and indicated that the service is on course to move from quadrant 3 to quadrant 2.

## **9. Legal Implications**

- 9.1. The publication of the Plan will fulfil Reading Borough Council's legal responsibilities in accordance with the Crime and Disorder Act 1998.
- 9.2. The provision of a multi-agency Youth Justice Service by Reading Borough Council in partnership with the National Probation Service, Clinical Commissioning Group and Thames Valley Police ensures we are compliant with the Crime and Disorder Act 1998.

## **10. Financial Implications**

- 10.1. The Youth Justice Plan sets out the financial contributions from the relevant statutory partners, which is determined at a local level and is expected to continue in line with the financial envelope of 2025/26. The Youth Justice Board contribution (the national contribution) is based on a national funding formula and has been confirmed as £324,156 for 2025/26, a small increase from £319,498.

## **11. Timetable for Implementation**

- 11.1. 4 June 2025 Youth Justice Management Board workshop for partner agency contribution to the annual plan 2025/26
- 11.2. 6 June 2025 Youth Justice Board 'Youth data summary' published.
- 11.3. 19 June 2025, draft plan was shared with partners
- 11.4. 25 June 2025, draft plan was made available for Councillors.
- 11.5. 26 June 2025 Youth Justice Management Board sign off plan having already had oversight.
- 11.6. 30 June 2025 plan submitted to Youth Justice Board for England and Wales.
- 11.7. 14 October 2025 Youth Justice Plan to be presented to Council.

## **12. Appendices**

- 12.1 Youth Justice Plan 2025-26

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# Reading Youth Justice Plan 2025-26



**Youth  
Justice  
Service**  
Reading



Protecting Our Communities



Probation  
Service



Koestler Arts Award 2025, Gold award in recognition of  
“its exceptionally high standard”.

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## 1. Introduction, Vision and Strategy

Welcome to our 2025-26 Reading Youth Justice Strategic Plan. I am confident that this plan will support the strategic partnership to deliver the highest quality Youth Justice Services in Reading, setting clear strategic priorities for 2025 and beyond. This year's plan builds on the strong partner relationships that have been developed in recent years and aims to support the continuous improvement journey of the service in response to a disappointing inspection outcome in 2024. It also sets out the vision for the service as we aim to move towards a fully developed practice model of Child First and identity development focused practice.

The plan is aligned with the priorities of our Brighter Futures for Children Business Plan 2024-26, the priorities of our Community Safety and Safeguarding Partnerships, as well as Thames Valley Police's Strategic plan 2025-26 and Race Action Plan 2023-26.

This strategic plan gives an overview of the work of the Youth Justice Service (YJS) in Reading. It sets out details of performance over the past year and our priorities for the next year.

The YJS Management Board, the staffing team and importantly children have been involved in the development of this plan and are committed to delivering the necessary improvements to the service and partnership as set out in the HMIP improvement plan. The improvement plan will become the operational plan for this strategy and is aligned with the longer-term vision of driving Child First and Identity Development focused practice.

With this in mind, the partnership and service have committed to retaining the same overarching focus and vision of the Youth Justice Partnership in Reading:

*We are aspirational for children and victims of crime in Reading. We are confident that by embedding child first and identity focused approaches to practice across the partnership, we will see improved outcomes in 2025/26. We prioritise the needs of children and victims and will always seek to see children 'as children', build pro-social identity, collaborate with children and divert from stigma'.*

This is a shared partnership vision for the Youth Justice Service in Reading, one which permeates across this strategic plan into everything we do.

The Youth Justice Service has a key role to play by:

- Diverting children away from the youth justice system, where appropriate.
- Helping prevent offending and reoffending.
- Reducing the use of custody.
- Contributing to multi-agency public protection and safeguarding, improving outcomes for victims of crime
- Adopting evidence-based approaches such as Child First Practice, Trauma Informed Practice, identity development and whole family approaches to youth justice.

The Youth Justice Service does this by working together with its key partners – the police, children's services, health services, education, probation, community safety and both voluntary and private sector providers – to deliver high quality and effective services to children, their families and the victims of offending.

The overall effectiveness of the Youth Justice Service continues to be monitored by the Youth Justice Board (YJB) and Ministry of Justice (MoJ).

Overall, our local data indicates that we are starting to see improvements in outcomes for children and families, with significantly improved outcome data in respect of numbers of children entering the youth justice system for the first time, those reoffending and those entering custody.

In 2024-25, 27 children became first time entrants, a 27% reduction on the number in the previous year which was 37. Whilst the rate remains marginally above that for the Southeast, YJS Family and the National rate, the improvement demonstrates that we are starting to see impact following the implementation of the Out of Court disposal Joint Decision making panel, the Turnaround project and other diversionary initiatives. The launch of Youth Diversionary Disposals (Outcome 22) by Thames Valley Police, following challenge from the Youth Justice Management Board and from YJS's across Thames Valley, will further assist the work of the YJS in this area in 2025-26 and beyond.

We have also seen a significant reduction in the number of children reoffending in the most recently available 12-month period for tracking. 28% of children reoffended in the 12-month period to June 2023, a 21% reduction from the rate in the 12 months to June 22. In actual numbers this represents a reduction from 21 children reoffending to 16. The number of reoffences per child who has reoffended also reduced significantly in the same period from 4.9 to 2.6, a 46.5% reduction. Again, this indicates that we are starting to see the impact of developing the effectiveness of interventions following child first, identity development and trauma informed practice as well as the strong partnership work led through the YJMB.

The rate of custodial sentences has also reduced from 0.12 per 1000 of the 10–17-year-old population for 2023-24 to 0 for the 12-month period to March 25, meaning there were no custodial sentence in this period. There were also no children Remanded to Youth Detention Accommodation in the period. Again, indicating that the work of the board and service is having an impact in key priority areas such as addressing serious youth violence.

However, despite these improvements we know that there is more to do. Outcomes for children and victims continue to be below what they should be. In September 2024, the service was inspected by His Majesty's Inspectorate of Probation. The subsequent report published in December rated the service as Inadequate overall and identified significant improvement work required. The full detail of the inspection findings and improvement work is covered later in this plan. Despite the very disappointing outcome, the service and partnership have responded positively to the findings, and we have already seen improvements in a number of key areas. We have strong foundations and a well-resourced and engaged multi-agency partnership. I feel confident that this will support the continuous improvement of the service and that 2025-26 will see outcomes for children and victims improve.

Children from Global Majority groups continue to be over-represented in the Youth Justice System in Reading, compared to the general 10–17-year-old population, with those who identify as of mixed ethnicity being most significantly over-represented. We also know that black children are significantly overrepresented in the cohort of children committing offences that are attributed a higher gravity score and therefore receive higher level outcomes. This reinforces the importance of the work that has been driven by the partnership on disproportionality in 2024-25. We know we need this work to develop further across the partnership and to focus on delivering positive impact in this area.

In the 12 months ending December 2024, there were 12 Serious Youth Violence offences resulting in a substantive outcome, which is a reduction of 3 on the previous 12-month period. The rate per 10,000 is now 7.2, which is still higher than the YJS Family, Southeast and National averages and most comparator groups but demonstrates improvement in this area. There are initiatives currently underway that are outlined later in the plan, such as the Act Now project which we hope will have a positive effect on reducing the numbers of children that engage in serious youth violence.

We know that within our Youth Justice Service, we have a significant number of children with complex and multiple needs, having experienced abuse, trauma and neglect as well as Special Education Needs and Disabilities and Speech and Language needs. Over the duration of this plan, we intend to focus our approach on proactively addressing trauma and supporting children with identity development. As a



result, we continue to prioritise our focus on ETE, emotional and mental health and the participation of children to support identity development. To do this well, we must ensure that we work in partnership with our colleagues in Children's Social Care, Education, Health and others.

### **2025-26 Youth Justice strategic priorities**

The HMIP inspection outcome, 2024-25 performance data, YJB Serious Youth Violence toolkit, and YJB ethnic disparity toolkit, combined with local and national drivers for systems change in youth justice have informed the following changes in our strategic priorities:

- Reducing First Time Entrants
- Improving long term outcomes of children who have offended
- Positively addressing and reducing disproportionality of Black and global majority children
- Reducing Serious Youth Violence, including a sharper focus on extremist behaviour and violence against women and girls
- Embedding Child First and Identity Development focused Practice as the practice model across the partnership
- Improving outcomes for victims of youth crime

The following theme will cut across these priorities:

- Reducing the number of children who are Not in Education, Employment or Training or who are not receiving their full entitlement of education.

On behalf of the YJS Management Board, I am proud to present our Youth Justice Strategic Plan for 2025-26.



**Michael O'Connor**  
**Independent Chair, Reading Youth Justice Service Management Board**

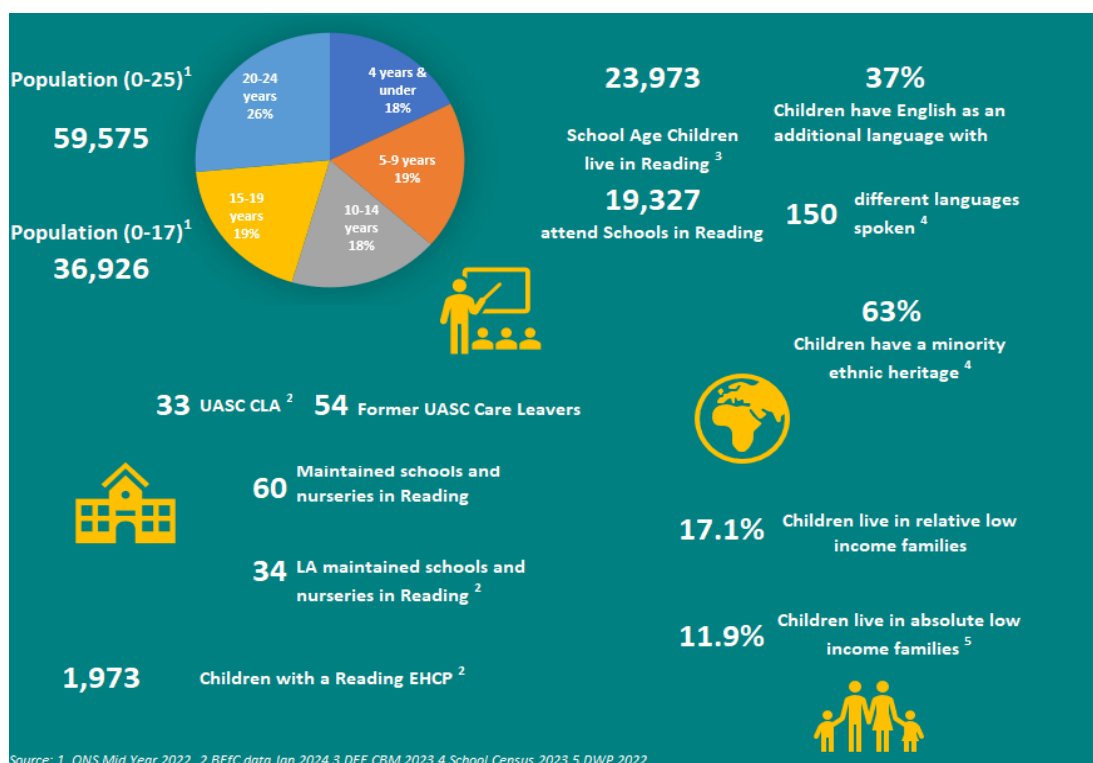
## 2. Local Context

Reading is a thriving and diverse town. It is home to 174,200 people (2021 Census) which is an increase of almost 12% since the census of 2011. This is higher than the overall increase for England (6.6%) and the South East (7.5%). The overall population in Reading is young, diverse and dynamic with 59,575 children aged between 0 and 18 years of age and 39,936 aged between 10 and 17 years of age (ONS 2022 mid-year). It is a diverse community with 63% of children from Global Majority groups. 37% of children speak English as an additional language. There are more than 150 languages spoken (School Census 2023).

The percentage of children under 16 living in low-income families in Reading is 17.1% with 11.9% living in absolute low income (DWP 2022), compared with 18.5% nationally in 2020. There are limited non-academic and vocational pathways at post 16 and whilst the employment rate in Reading is good, disadvantaged groups including children who have offended have more difficulties in accessing employment opportunities. There are 60 maintained schools and nurseries and 34 Local Authority maintained school and nurseries in Reading. There are 1,973 children with an Education Health and Care Plan in Reading. There are 33 current and 54 former Unaccompanied Asylum Seeking Children (UASC) resident in Reading (BFFC Jan 2024).

Reading is one of the 3 top crime generating CSP areas in the Thames Valley Community Safety Partnership and has the second highest levels of serious violence in the Thames Valley. Recorded crime is at a similar level to other similar Community Safety Partnership areas across the country.

The following infographic illustrates some of this data:



### 3. Governance, Leadership and Partnership Arrangements

The Youth Justice Service is located within the Family Help and Safeguarding Directorate of Brighter Futures for Children (BFfC). BFfC are a not-for-profit company, independent of but wholly owned by Reading Borough Council, contracted to deliver children's social care, early help & prevention, education services, including Special Educational Needs and Disabilities (SEND), Youth Justice Service and fostering and adoption services.

On 28 January 2025 Reading Borough Council made the decision to bring the BFfC contract, under which Children's Services are delivered for RBC, to an end on 31 March 2026 and to bring delivery of Children's Services back in-house to be managed by the Council.

The Service Manager has joint responsibility for Extra Familial Harm, and reports to the Head of Service for Family Help and Partnerships. The Head of Service has joint responsibility for Early Help Services, Children's Single Point of Access (front door), children missing and exploitation.

The Youth Justice Management Board (YJMB) has had an Independent Chair since August 2023 and this is supporting us to ensure there is appropriate challenge and support at the strategic partnership to improve outcomes for children and victims in Reading. The YJMB has representation from all statutory partners as well as a range of non-statutory partners, including representatives from the third sector. The current membership of the YJMB is outlined in section 6 and the overall structure of the Youth Justice Service is detailed in Appendix 1.

Operationally, the service benefits from the following partnership arrangements:

- 1 FTE Seconded Police Officer
- 1 FTE Transitions Officer, funded in partnership by the Probation Service and Brighter Futures for Children.
- 0.33 FTE Child and Adolescent mental Health (CAMHS) clinician
- 0.2 FTE Speech and Language Therapist
- 0.27 FTE NHS Nurse
- 0.4 Elevate worker
- 0.4 Tutor

#### 4. Update on the previous year:

##### 4.1 Progress on priorities in the previous plan

The following table outlines the actions identified in last year's Youth Justice Strategic Plan and the progress made against these.

Actions	
<b>Priority 1: Reducing First time entrants</b>	
<p>Ensure children open to YJS who are missing education receive the appropriate levels of support</p>	<p>The Head of Education Access and Support, as a member of the YJMB has led on the delivery of the following actions:</p> <p>An educational triage procedure has been developed for children who enter the YJS ensuring any child with a RAG rating of RED benefits from a PEP style review each half term.</p> <p>A monitoring process has been launched to ensure that the length of time children are in unsuitable education reduces over time and there is an increase in children in suitable and effective provision</p> <p>A post-inspection review has been delivered with Cranbury College to ensure assurance on educational outcomes for children open to the YJS</p> <p>A review of educational pathways for children open to YJS is ongoing, including assessment elements across agencies.</p> <p>The new Head of SEND is now part of the YJMB.</p> <p>Discussions have been started with the Principle Educational Psychologist regarding EPS input to YJS which we aim to have operational in 2025-26.</p>
<p>Implement the use of Outcome 22 as a disposal to divert children from the formal Youth Justice System</p>	<p>In March 2025 the Thames Valley Police Chief Constables Management Team agreed the use of deferred Youth Cautions and Youth Conditional Cautions, as</p>

	an available disposal option for children. As of April 2025, Youth Diversionary Programmes are an available disposal for children being discussed within the Joint Decision Making Panel.
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<p>Develop a prevention and diversion strategy as an alternative to Turnaround, that is aligned to the wider Early Help strategy</p>	<p>In February 2025 The Ministry of Justice (MoJ) announced that there would be a 12 month extension to the Turnaround Programme, previously expected to last until March 2025. This announcement was accompanied by confirmation of a reduction of funding for the sector overall and for Reading YJS, from £75,970 to £51,251. The YJS has implemented a new operating model to reflect the reduction in funding aimed at targeting those children most in need of prevention support, based on the latest data gained via a thematic audit of FTEs in the 12-month period to December 2024.</p> <p>BFFC funded Reading FC Community Trust to deliver Premier League Inspires, which is a Tier 1 intervention in schools, and Kickz Targeted which is Tier 2 one to one intervention. The following high level outcomes were delivered for both projects.</p> <p>Tier 1:</p> <p><b>1<sup>st</sup> September 2024 – 31<sup>st</sup> August 2025</b></p> <ul style="list-style-type: none"> <li>• Engaged 25 unique participants</li> <li>• Delivered 20 sessions</li> <li>• 40 session hours have been delivered</li> <li>• Allocated 205 session spaces.</li> <li>• Engaged 0 females ( 0% of unique users)</li> <li>• The average participant has had 18.91 contact hours with Reading FC Community Trust staff</li> <li>• Age - 11yrs - 2, 12yrs - 8, 13yrs - 13, 14yrs - 2</li> <li>• Demographics - White British - 19, Mixed - 4, Other - 1, Prefer not to say - 1</li> </ul> <p>Tier 2:</p> <p>Unique participants - 4</p> <p>Spaces filled - 59</p> <p>Session hours delivered - 118</p> <p>Average contact hours per participant - 25.80</p>
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	<p>Number of male participants - 4 Number of female participants - 0</p> <p>A detailed evaluation report was submitted by Reading FCCT evidencing positive outcomes for children. BFfC has committed to funding the project for a further 12 months.</p> <p>The following additional piece of work has been delivered to assist in reducing first time entrants moving forward. The YJS delivered a thematic audit of children who became first time entrants (FTEs) in the 12 months to December 2024. There were 27 children who became FTEs in the period. The audit was delivered in 2 parts; a data analysis of themes and a qualitative analysis of work with children who had received prevention support. The findings of the audit have shaped the direction of the revised Turnaround offer for 2025-26</p>
<p><b>Priority 2: Reducing Reoffending</b></p> <p>Embed a consistent practice model of Child First and Trauma Informed practice which supports the development of positive identity shift</p>	<p>YJS practitioners and managers have attended additional Child First practice training. For the remaining 3 staff that were unable to attend, mop up training will be organised.</p> <p>A further away day with staff was delivered in January 2025 which focused on supporting staff in understanding how to balance a Child First approach against robust risk assessment and management.</p> <p>Quality assurance documents have been reviewed and redesigned in line with Child First principles.</p> <p>Policy reviews are planned to ensure they are aligned with child first approach.</p> <p>The Service Manager has delivered a briefing session to Magistrates on Out of Court disposals and diversion, which included an introduction to Child First.</p> <p>The Service has launched a Young People's board to support the Youth Justice Management board.</p>

Develop a refreshed audit schedule that provides a structured programme including partners and thematic audits.	<p>A refreshed thematic audit schedule has been created for 2025-26 which includes the following thematic areas which will be audited in partnership with YJMB members:</p> <ul style="list-style-type: none"> <li>• First time entrants (Completed)</li> <li>• Disproportionality (Completed)</li> <li>• Risk Management and Multi-agency response</li> <li>• Child First and trauma informed practice</li> <li>• Children Missing Education</li> <li>• Victims</li> </ul> <p>In addition to this, regular case audits using a revised audit tool will be delivered by each manager at a minimum of once per month.</p> <p>Following the HMIP inspection all open cases were reviewed to provide assurances regarding safety to children and other.</p>
Recruit a Transitions Officer to support children in their transition to adult services.	Recruitment to this post has been successful. The YJS have recruited a member of staff with extensive experience as a Probation Officer including prior experience working as a YJS seconded probation officer.
Develop closer working relationships with third sector and community organisations to diversify the range of interventions that support the development of positive identity.	The YJS has continued to expand its work in partnership with third sector providers. 3 third sector providers are regular YJMB members. In addition to this the YJS provides funding to Reading Football Club Community Trust to deliver Act Now, Kickz Targeted and Premier League inspires as well as funding New Angle to deliver a project supporting children currently in roll at Cranbury college, alternative education provision
<b>Priority 3: Reducing Custody</b>	
Introduce custody panel process to ensure increased management oversight of sentencing proposals	This process has now been launched and is in use with all Pre-sentence reports where there is a risk of custody. The most recent National Indicator data for custody was that there were 0 custodial sentences or Remands to Youth Detention Accommodation made on 2024-25.
Continue to improve relationships with colleagues in His Majesties Courts and Tribunals Service and Children's Social Care to minimise the use of custodial remands	The Service Manager delivered a training session for magistrates in May 2025 on Out of Court Disposals, Diversion, Child First and Act Now.
Support children in custody to contribute towards the Young Voices participation group.	The opportunity to participate in this project was offered to the 1 child the YJS was supporting in custody but it was declined. The YJS continues to work



	closely with Young Voices and through this have funded additional work to support the set up of our young person's board.
<b>Priority 4: Addressing Disproportionality</b>	
Disproportionality action plan to be revised to ensure tangible action against priority areas.	The plan was reviewed and updated. Further work is in progress as a part of the work in the HMIP Improvement Plan. The YJS is currently exploring further opportunities to work with New Angle, a trusted third sector partner, to deliver an intervention programme aimed at delivering positive impact in this area.
Work with partners to improve safeguarding procedures for children who have been stopped and searched	Data provided by Thames valley Police in September 2024, demonstrates that as a result of the original data and subsequent work to encourage safeguarding referrals when children are stopped and search, there has been improvement in this area. The data demonstrated that 36% of children stopped and searched between April and September 2024 were referred to MASH.
Deliver audit work to further understand the extent that girls are over-represented in the YJS in Reading	An Audit and evaluation of First Time Entrants presented in the YJMB in March 2025 showed that the proportion of girls in the cohort was in line with the national average, whilst throughput data demonstrates a slight over-representation. Further work is planned on the effectiveness of work with girls as part of wider work in this area with the local criminal justice board in 2025-26.
<b>Priority 5: Reducing Serious Youth Violence</b>	
Work with colleagues in Public Health to increase data led approaches to Serious Violence via the YJ Management Board.	A representative from Public Health now sits on the YJMB.  Public health colleagues also supported in the delivery of the Assisted Leaders Programme pilot with the Youth Endowment Fund.
Introduce the 'Act Now' programme to deliver an effective intervention to support children who have been arrested for knife enabled offences	Act Now was launched in January 2025. Reading Football Club Community Trust were successful in bidding for the contract to deliver this work. The following outcomes have been delivered so far: <ul style="list-style-type: none"> <li>• 13 x young people have been supported overall</li> <li>• 10 x successful custodial engagements</li> </ul>

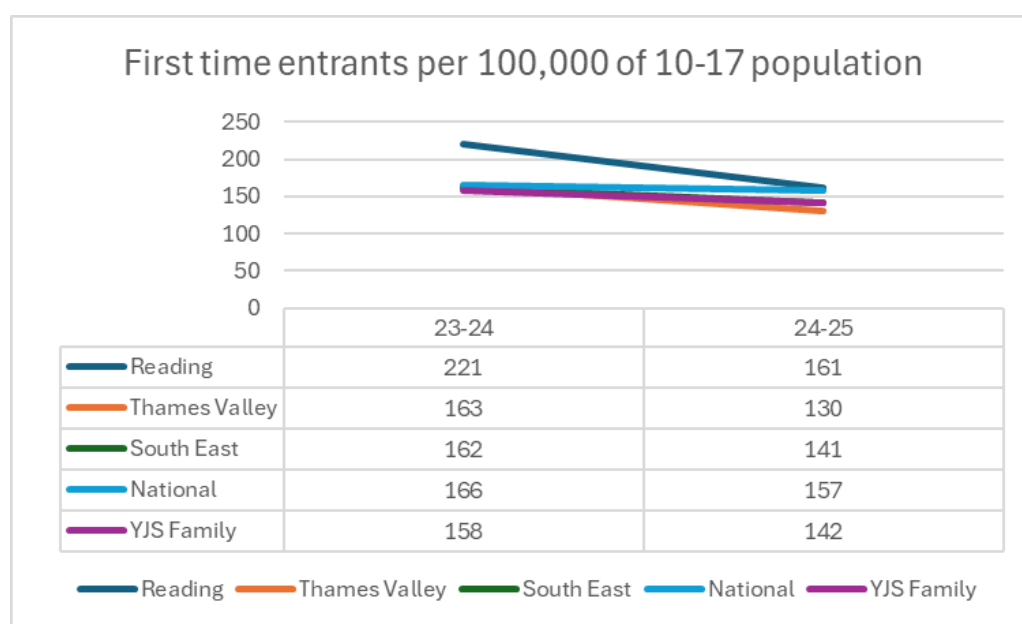
	<ul style="list-style-type: none"> <li>• 5 x in hours call outs; 5 out of hours call outs</li> <li>• 11 x 48 hour follow ups completed</li> <li>• 6 young people actively engaging in the programme</li> <li>• Attempting contact with 2 young people at the request of Reading YJS</li> </ul>
Work with the Youth Endowment Fund to pilot the Assisted Leaders Programme to enhance partnership approaches to Serious Violence	The YJS has successfully completed the ALP programme which has identified a number of opportunities for development. It has also assisted the YJS and partners in preparing for the direction of travel in relation to Prevention Partnerships, focused diversion and focused deterrence.
Demonstrate the effective use of the Stay True to You resource for children at risk of Serious Youth Violence	Reading Football Club Community trust as the provider of Act Now, are trained in the use of Stay True to You resources. Case studies provided by Reading FCCT, demonstrate successful interventions delivered in line with these principles, which have delivered positive impact.
<b>Priority 6: Developing Child First Practice</b>	
Develop a comprehensive Child First Action plan that supports the service to fully embed a Child first practice model	The development of a full action plan has been delayed as a result of the focus on delivering the key improvements in response to inspection. However, the service has continued to deliver on its commitment for the voice of children, families and victims to be present at each board meeting.
Set up a Child first working group to drive developments in practice, including but not limited to participation work and identity development.	The service has been successful in gaining funding to support the set-up of a Young People's board to ensure genuine coproduction of services with children. This has started to inform the work of the board and YJS and has contributed towards the actions for 2025-26.
<b>Priority 7: Improving outcomes for Victims of Youth Crime</b>	
Carry out a review of reparation placements to ensure they are consistent with principles of Child First practice.	This review has taken place and all placements are delivering interventions that are consistent with Child First principles.
Carry out an audit on the effectiveness of restorative justice and work to support victims.	This piece of work has been delayed but it is part of the thematic audit schedule and will be delivered in 2025-26.

### 3.2 Performance over the previous year

The following data is provided for the most recently available period for each indicator. It shows performance for the most recent period, compared against the previous equivalent period.

#### First Time Entrants

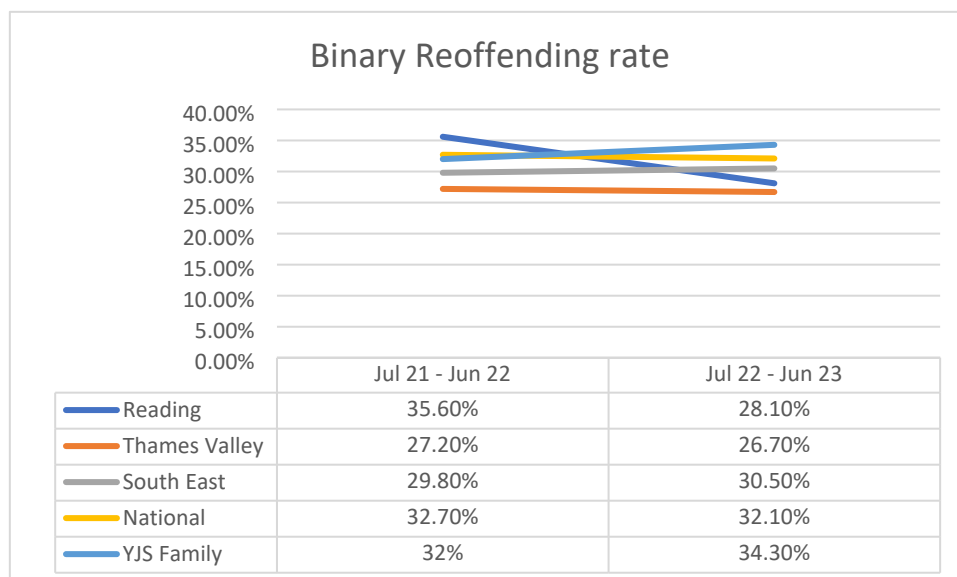
Performance data for the most recently available 12-month period demonstrates a 27% reduction in the rate of children entering the Youth Justice System for the first time in Reading, when compared with the equivalent period in the previous year. With a rate of 161 children per 100,000 of the 10-17 population, the rate remains above comparator groups, although only marginally above that for the Southeast, YJS Family and the National rate. In actual numbers, this amounts to 27 children entering the Youth Justice System in 2024-25, compared to 37 in the previous 12 months.



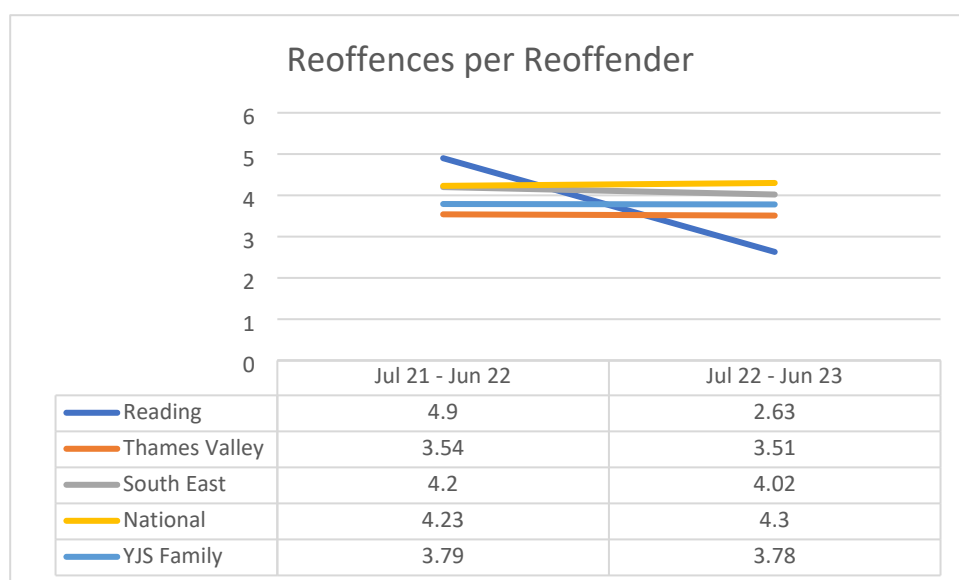
The YJS believes that the implementation of the Out of Court disposal Joint Decision-making panel in May 2025 and the hard work by YJS staff and partners within this forum, has contributed towards the significant reduction in children entering the Youth Justice System for the first time. In addition to this, we believe that we have started to see the impact of the 3 years of the Turnaround programme which has focused on diverting children from formal entry to the Youth justice system. The recent launch of the Youth Diversionary Programme (Outcome 22) by Thames Valley Police, following challenge from the Youth Justice Management Board and from YJS's across Thames Valley, is a welcome tool to further assist the work of the YJS in this area in 2025-26 and beyond. We know that more work is needed in this area in order to see outcomes continue to improve. The YJS along with key partners in Education and Community Safety, has submitted a bid to fund a School Navigators Programme which will further assist in diverting children from the Youth Justice System.

#### Reoffending

Performance data demonstrates that the rate of children reoffending has reduced, from 35.6% in the 12 months to June 22 to 28.1% in the 12 months to June 23, which amounts to a 21% reduction. This moves the YJS from a position where the rate of children reoffending was above all comparator groups in the 12 months to June 22, to being below all comparator groups except the Thames Valley, which has a marginally lower rate.



The number of reoffences per child who reoffended was 2.63 in the period most recently available for tracking this data. This represents a 46.5% reduction on the previous 12-month period and is lower than all comparator groups.

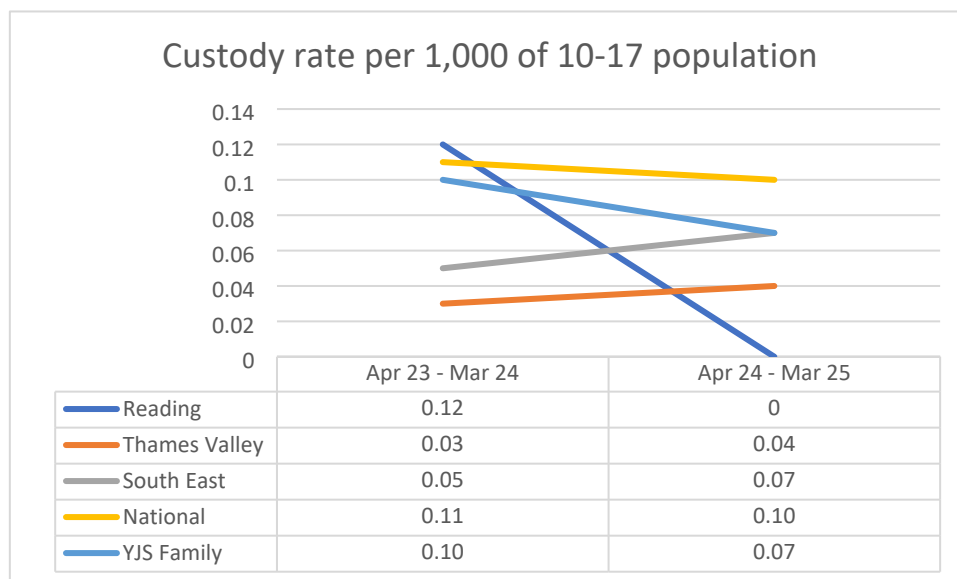


We know, from the data presented to the Youth Justice Management Board that there are a significant number of children who experience a range of complex needs many of whom go on to reoffend, sometimes multiple times. A significant proportion of the children supported by the YJS are also involved with Children's Social Care and other services, indicating that a coordinated offer of support is necessary. The YJS is committed to delivering work that is consistent with principles of Child First; seeing children as

children, building pro-social identity, collaborating with children and diverting from stigma. The significant reduction in children reoffending as well as number and rate of reoffences, suggests that we are starting to see positive outcomes as a result of the strong work that has been developed over recent years. Nonetheless, we know that more work is required in order to further embed trauma informed and child first ways of working with children, to support positive identity shift. In order to support this work additional training is being explored through a trusted external provider to deliver 2 'psychoeducation' team workshops, as well as ongoing internal training on Child First practice.

### Custody

The rate of children receiving a custodial sentence per 1000 of the local 10–17-year-old population reduced from 0.12 in the 12 months to March 24, to 0 in the 12 months to March 25. This means that there were no custodial sentences made in the period. The rate places Reading's performance in this area below all comparators.



### Remand data

The following data relates to children remanded to Youth Detention Accommodation. The data shows a that there were also no new children remanded to Youth Detention Accommodation in 2024-25.

	No. of Children	No. of Bed Nights
2021/22	6	1322
2022/23	1	9
2023/24	4	394
2024/25	0	0

The Service Manager has delivered a workshop to Magistrates on the range of methods available in Youth Justice to divert children from entering the formal Youth Justice system. This included an introduction to the Child First framework. The service have also implemented a 'custody panel' process ensuring additional

oversight of proposals when a child is at risk of a custodial outcome. The Service and partnership remain committed to delivering the vision of Child First practice. This significant improvement in outcomes in relations to custodial sentences and remands demonstrates that we are starting to see this delivering impact.

## Key Performance Indicators

From April 2023 all Youth Justice Services have been required to gather data on an additional 10 Key Performance Indicators (KPIs). Data presented to YJS's from the YJB does not allow comparison to other YJS's for benchmarking purposes. As such, some of the KPI's are of limited use in understanding local performance. As a result of some technical difficulties with the implementation of KPI's data for quarter 1 was not reliable so has been excluded from the data presented below. The table below outlines the KPIs and their definitions.

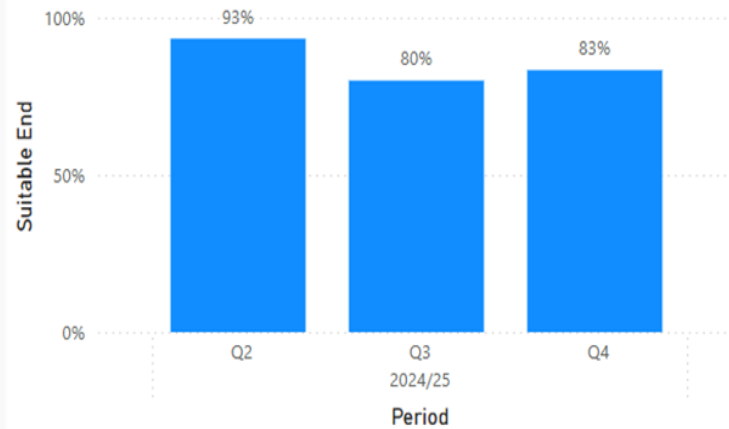
KPI	Definition
KPI 1 - Accommodation	The proportion of children with suitable accommodation arrangements
KPI 2 - Education, training and employment (ETE)	The proportion of children attending a suitable ETE arrangement
KPI 3 - Special educational needs or disability (SEND)	The proportion of children who have an identified SEND need, are in suitable ETE and have a formal learning plan in place for the current academic year
KPI 4 - Mental healthcare and emotional wellbeing	The proportion of children with a screened, or, identified need for an intervention to improve mental health or emotional wellbeing; and offered interventions; and attending interventions
KPI 5 - Substance misuse	The proportion of children with a need for specialist treatment intervention to address substance misuse; and offered intervention and attending intervention
KPI 6 – Out-of-court disposals	The proportion of out-of-court disposal interventions that are completed
KPI 7 – Wider Services	The proportion of children who are currently on either an Early Help (EH) plan; on a child protection (CP) plan or classified as Child in need (CiN) or have looked-after status.
KPI 8 – Management Board attendance	Monitoring senior partner representation at management boards, and monitoring if partners contribute data from their individual services that identify areas of racial and ethnic disproportionality.
KPI 9 - Serious violence	The rates of children convicted for a serious violent offence on the YJS caseload.
KPI 10 - Victims	The proportion of victims who are offered and engage with Support from the YJS



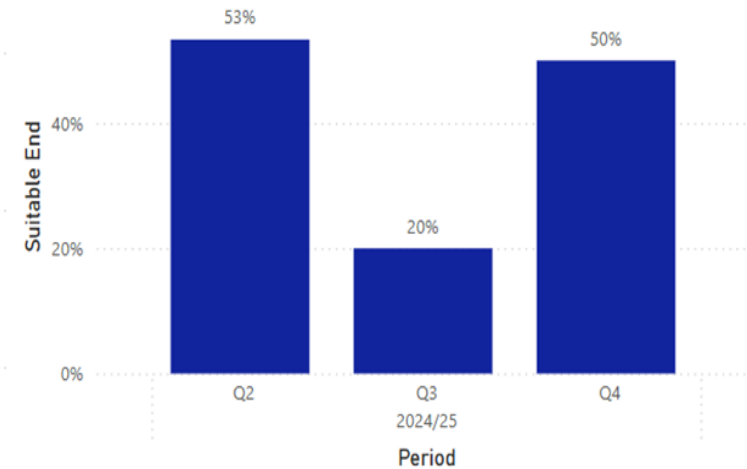
# KPIs

## 1. Accomodation Suitability End

(including non-substantive out of court disposals with YJS intervention)

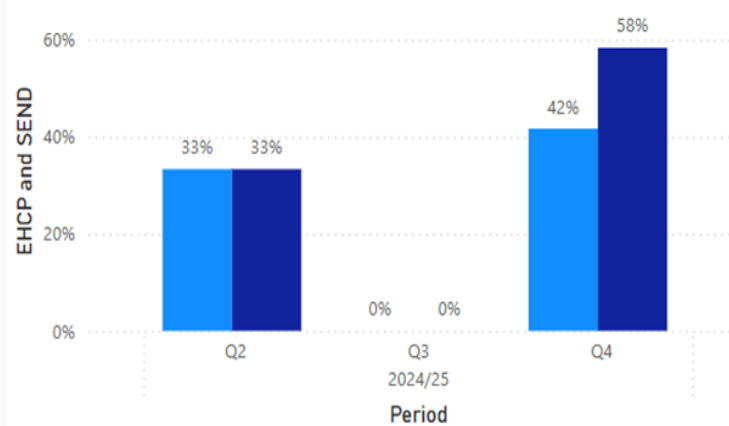


## 2. Suitable ETE End



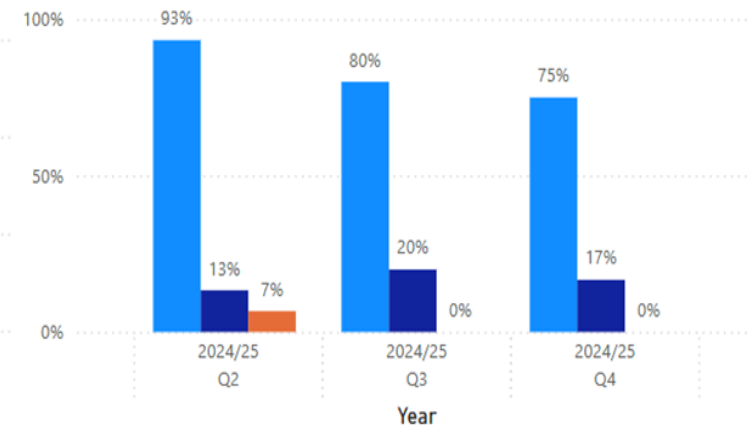
## 3. Percentage of children with SEND/EHCP at end of order

● EHCP ● SEND



## 4. Percentage of orders ending screened/identified for MH

● Screen For WB&MH ● Attending intervention getting help ● Attending intervention getting advice

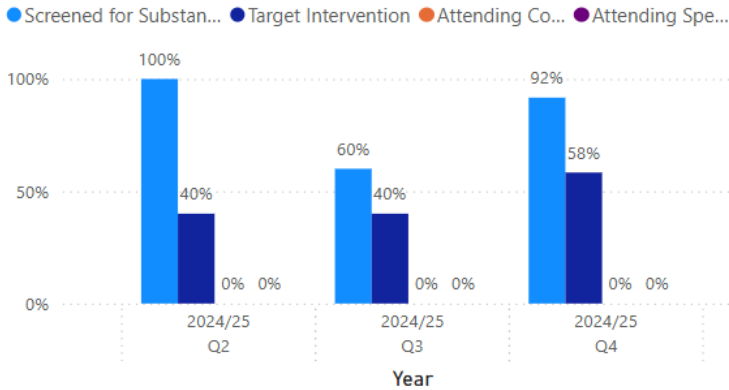




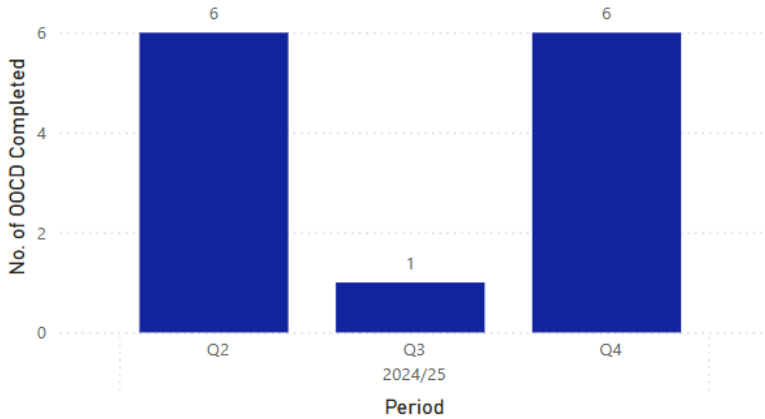


# KPIs

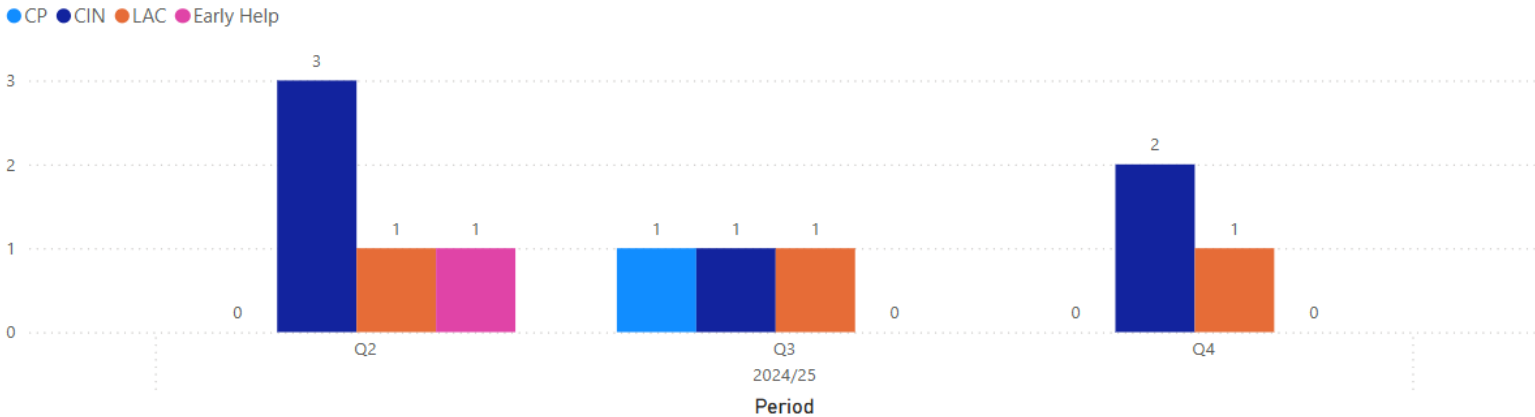
5. Percentage of orders ending screen/identified for substance misuse



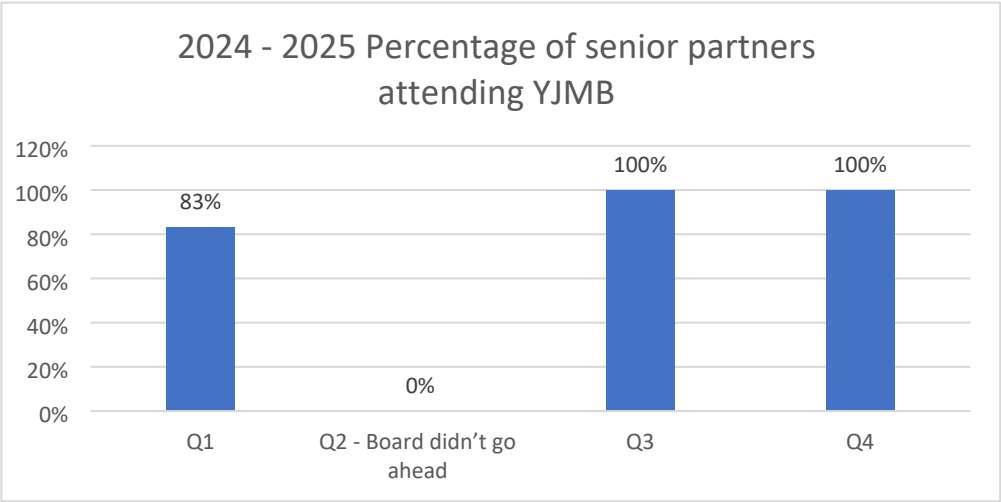
6. No. OOC completed



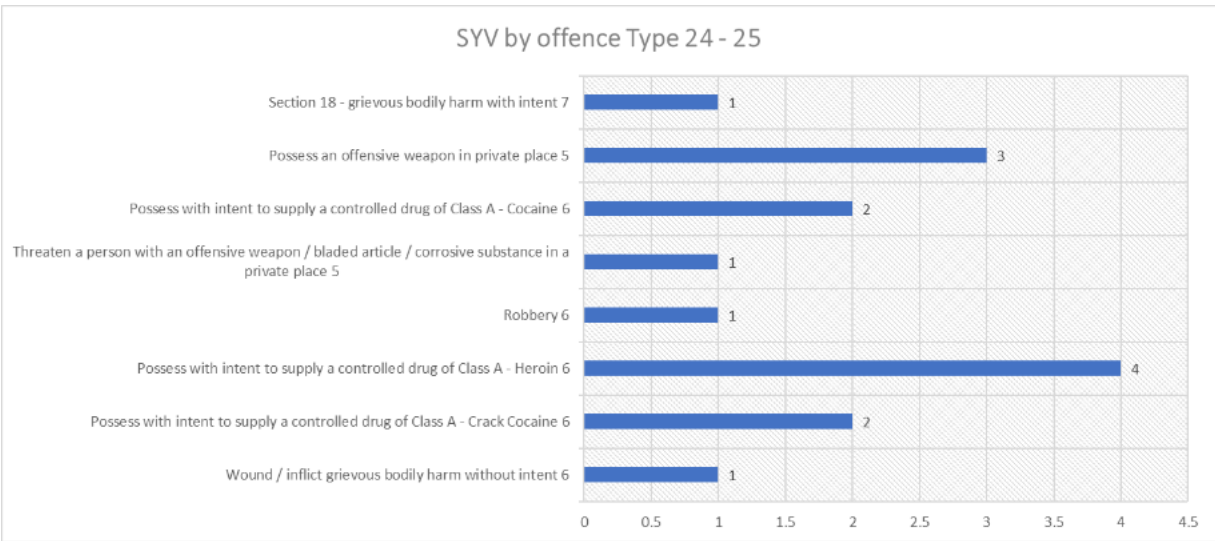
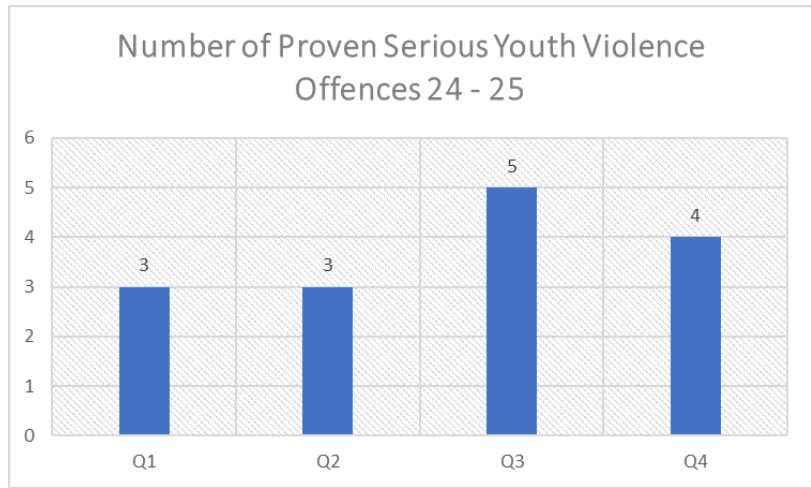
7. No. of children open to Wider Services at the end of order



KPI 8 - Management Board Attendance



KPI 9 - Serious Youth Violence



The rate of serious violence offences per 10,000 of 10-17 population by YJS, YJS family, YJS region, PCC area and national average year ending December 2021 - 2024

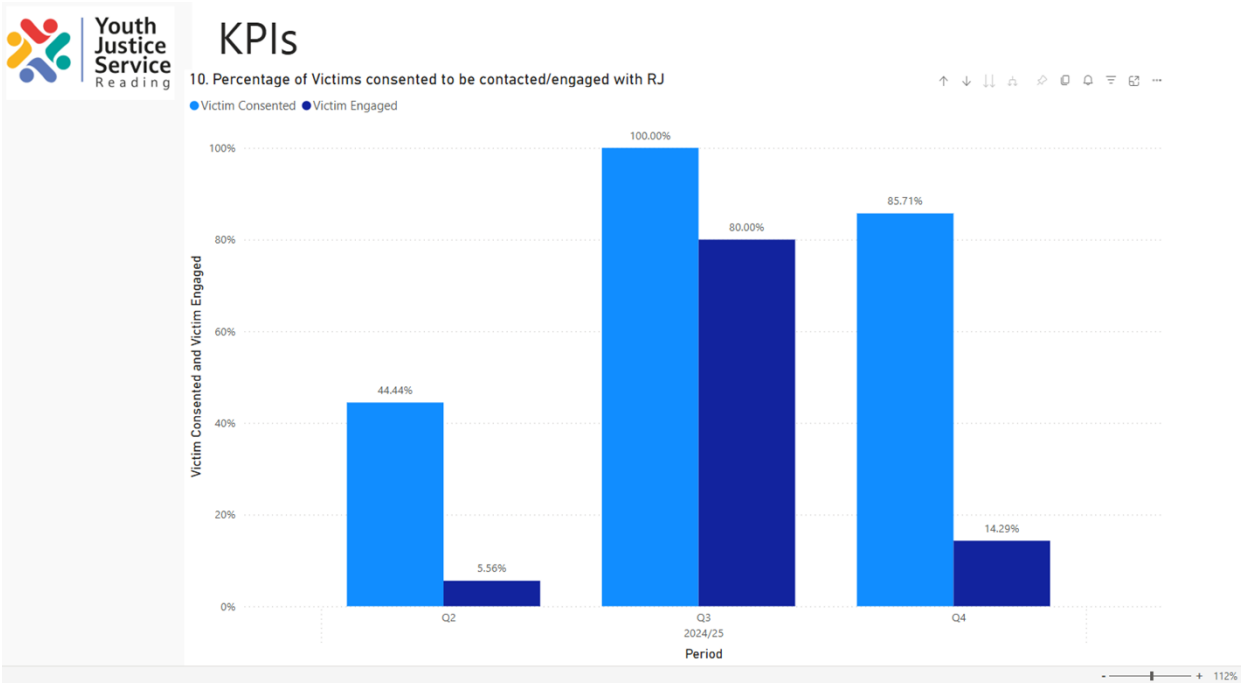
YJS region	Year ending Dec							
	2021		2022		2023		2024	
	Number of SV offences	Rate of SV offences	Number of SV offences	Rate of SV offences	Number of SV offences	Rate of SV offences	Number of SV offences	Rate of SV offences
<b>Reading</b>	<b>11</b>	<b>7.1</b>	<b>19</b>	<b>12.0</b>	<b>12</b>	<b>7.2</b>	<b>12</b>	<b>7.2</b>
<b>Southeast</b>	<b>307</b>	<b>3.8</b>	<b>283</b>	<b>3.6</b>	<b>312</b>	<b>3.9</b>	<b>386</b>	<b>4.8</b>
East Midlands	207	4.6	193	4.2	195	4.1	202	4.2
Eastern	348	5.8	316	5.2	371	5.9	394	6.2
London	1,030	12.4	868	10.4	822	10.0	917	10.8
Northeast	32	1.3	88	3.6	106	4.2	111	4.8
Northwest	291	4.1	302	4.2	328	4.5	512	7.2
Southwest	102	2.0	143	2.8	169	3.3	169	3.3
Wales	60	2.1	64	2.2	94	3.2	104	3.6
West Midlands	315	5.4	386	6.5	322	5.3	382	6.6
Yorkshire	250	4.8	263	5.0	248	4.7	318	5.9
	2,94							
England and Wales	2	3.9	2,906	5.2	2,967	5.3	3,495	6.2

YJS family	Year ending Dec							
	2021		2022		2023		2024	
	Number of SV offences	Rate of SV offences	Number of SV offences	Rate of SV offences	Number of SV offences	Rate of SV offences	Number of SV offences	Rate of SV offences
<b>Reading</b>	<b>11</b>	<b>7.1</b>	<b>19</b>	<b>12.0</b>	<b>12</b>	<b>7.2</b>	<b>12</b>	<b>7.2</b>
<b>Family average</b>	<b>30</b>	<b>8.3</b>	<b>21</b>	<b>5.7</b>	<b>20</b>	<b>5.2</b>	<b>24</b>	<b>6.4</b>

Sutton	8	3.6	10	4.4	4	1.7	9	3.8
Bristol	27	6.9	24	6.0	33	8.1	31	7.5
Barnet	65	16.2	54	13.2	19	4.5	44	10.4
Merton	21	10.4	13	6.3	10	4.8	13	6.2
Cardiff	8	2.4	13	3.8	12	3.4	17	4.8
Southampton	7	3.3	26	11.9	30	13.4	14	6.2
Coventry	29	8.5	10	2.8	17	4.7	33	9.1
Hillingdon	33	10.7	17	5.3	24	7.4	7	2.1
Hertfordshire	103	8.4	40	3.2	52	4.1	73	5.7
Brighton and Hove	22	9.8	9	4.0	6	2.6	16	7.0

KPI 10 - Victims

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## **KPI commentary**

Data for Q1 2024 -2025 has not been included due to lack of reliability with record issues.

### **1. Accommodation**

Accommodation suitability has remained above 80% for all 3 periods where data has been reliably tracked. Local safety concerns, overcrowding and unknown were reasons for 5 cases being assessed as unsuitable out of the 32 interventions ending in Q2, 3 and 4.

### **2. ETE**

Education Training and Employment suitability was consistently low across all 3 Quarters. 18 children were assessed as having unsuitable ETE out of the 32 interventions that ended across the 3 quarters. 8 assessed as unsuitable were Not in Education Employment or Training (NEET), 8 had insufficient hours provided by the school provision, 1 was unknown due to non-engagement in an out of court disposal and 1 was refusing to attend provision provided. The work undertaken to improve oversight of ETE suitability for children in the YJS cohort as part of the HMIP improvement plan is planned to deliver improvements in this area.

### **3. SEN**

Of the 32 interventions that ended across the 3 Quarters, 9 had Education Health and Care plans in place and 12 had special education needs.

### **4. Mental health and wellbeing**

28 of 32 children were screened for wellbeing and mental health. 6 of these children went on to access support from the Health and Justice Team across the 3 quarters. 3 children who were screened and offered support declined to engage with the Health and Justice Team. The majority of the 32 interventions had no identified needs. 4 children were not screened on out of court disposals.

### **5. Substance misuse**

30 of 32 children were screened for substance misuse. 15 of these children engaged in intervention for substance misuse with their caseworkers. All of these are targeted tier 2 interventions. The low screening percentage in Q3 was due to some of the intervention being revoked and resentenced and substance misuse work being delivered on the previous intervention, these were recorded as prior to intervention start.

As part of the improvement work following the HMIP inspection in September 2024, the YJS has relaunched its approach to screening for substance misuse and delivering intervention. This has involved a new process for working in partnership with the Reconnect team who deliver tier 3 intervention, with YJS workers delivering tier 2 intervention. YJS case works have received additional training to accompany this.

### **6. Out of Court Disposals**

7 Out of court disposals were completed across the 3 quarters.

### **7. Wider Services**

20 children were open to wider services out of the 32 interventions that ended. 6 were on Child in need plans, 2 were Looked After Children and 1 was on a Child Protection Plan. 12 were open to early help services prior to the start of the intervention and all were closed to early help by the end of the intervention.

### **8. Management Board**

The partnership maintains strong representation from all statutory and non-statutory partners at the YJMB. The Q2 board did not go ahead due to the HMIP inspection.

## 9. Serious Youth Violence

### SV dashboard data

With a rate of 7.2 serious youth violence offences per 10,000 of 10-17 population, the rate in Reading remains higher than the family average and all but three YJS's within the family group. It also remains higher than that for the majority of regional comparator groups. However, when viewed over a longer period this represents a sustained reduction in serious violence offences.

It is important to note, when comparing to statistical neighbours and other comparators, that the relatively small size of the cohort in Reading, means that small increases in numbers can have a disproportionate impact on the rate.

Addressing the ongoing risks presented as a result of serious youth violence will continue to be a priority for the YJS and the partnership in 2025-26. The Act Now programme was launched in January 2025 and the YJS is confident that this will assist in reducing numbers of children who go on to be involved in serious violence. The support the YJS received as part of the Youth Endowment Fund (YEF) Assisted Leaders Programme pilot, will support the partnership in its ongoing efforts to work more effectively to divert children from involvement in serious youth violence, in doing so support with the transition towards serious violence prevention partnerships.

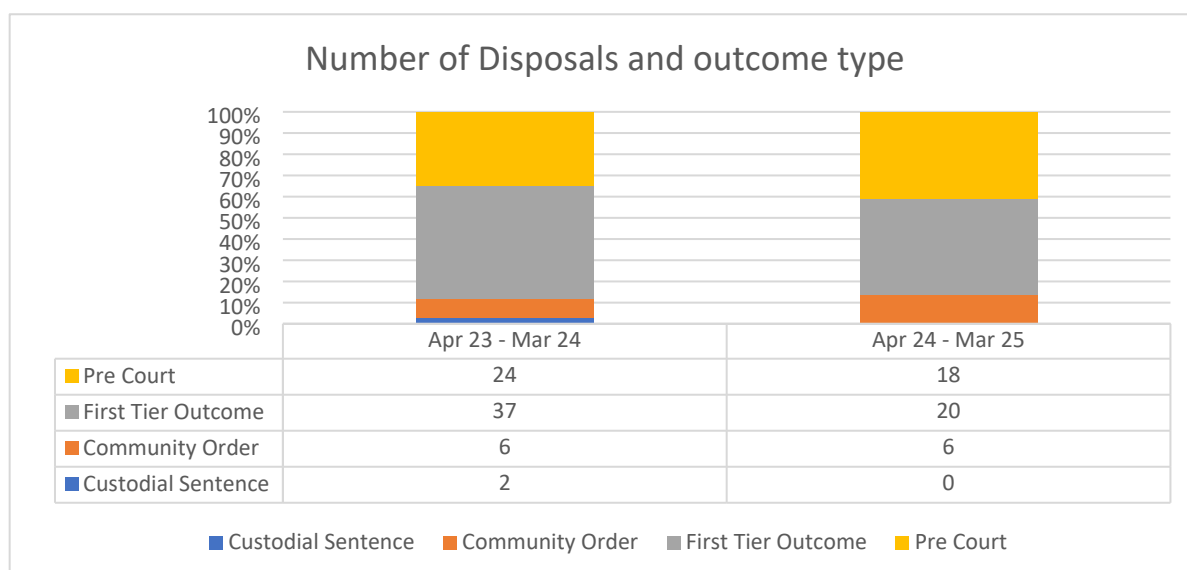
## 10. Victims

24 Victims were identified throughout the quarters. 20 of these consented to be contacted with 5 going on to engage with restorative justice opportunities.

Enhancing both the operational and strategic response to victims is a priority for the YJS in 2025-26.

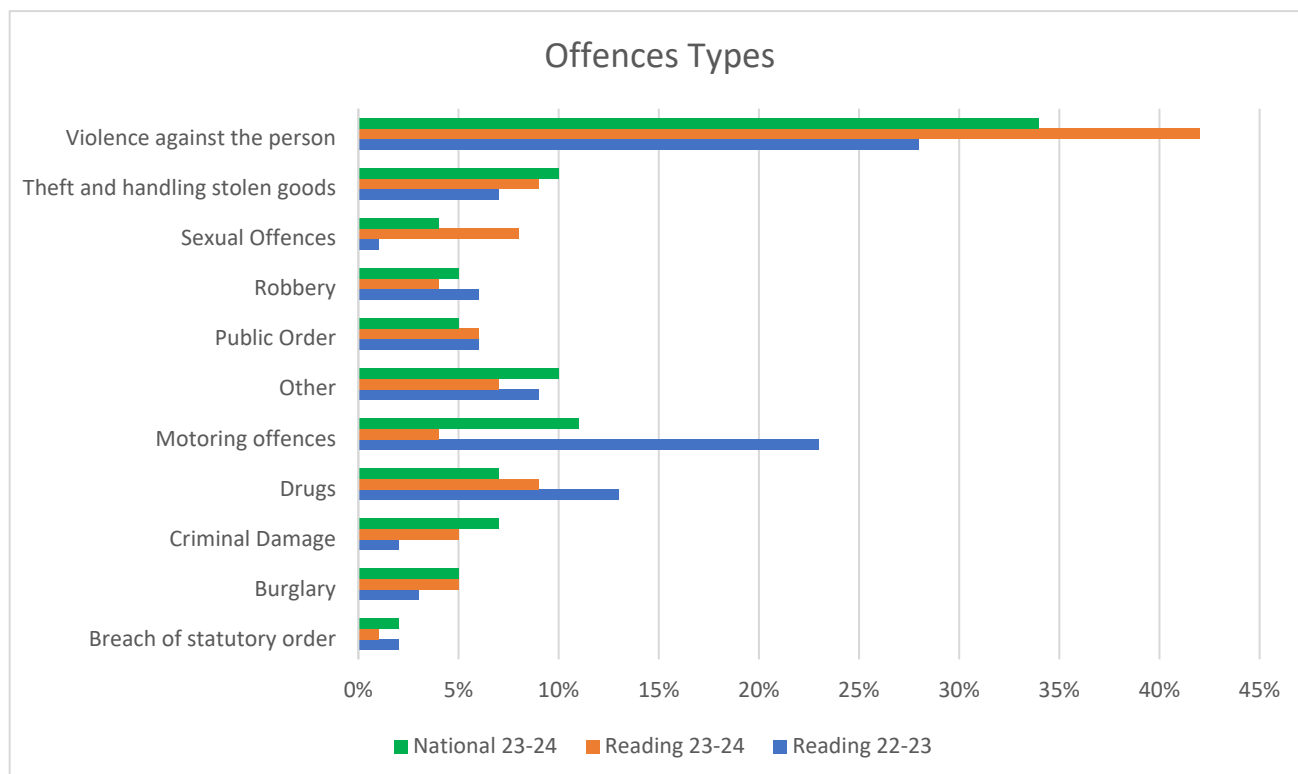
## Local Data

### Throughput





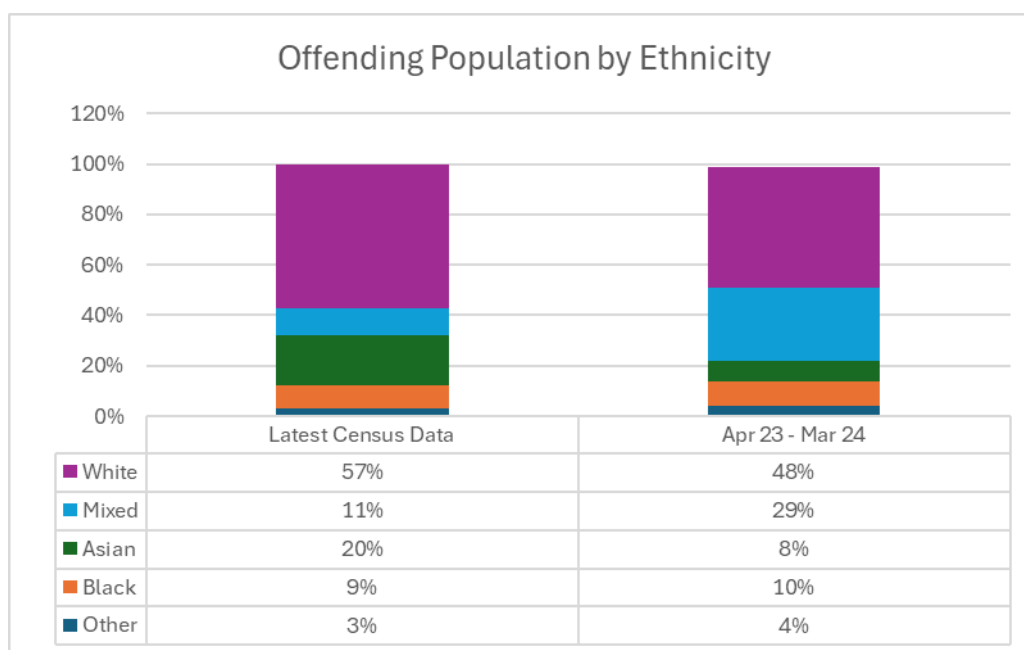
The total number of formal disposals (excluding Community Resolutions) reduced from 69 in 2023-24 to 44 in 2024-25. The number of community order outcomes mirrored the previous year whilst the number of First Tier outcomes and Custodial sentences have decreased between these two periods. First tier outcomes include outcomes for which there would be no new intervention, for example a Conditional Discharge or fine.



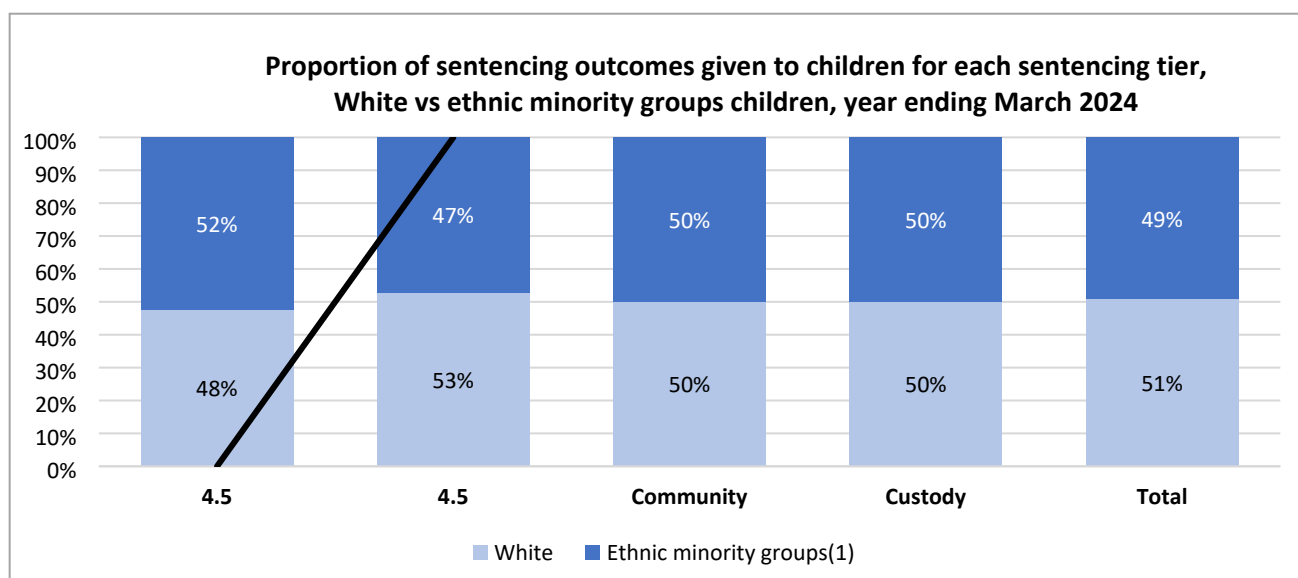
Data from 2023-24, the most recently available period, indicates that whilst the majority of offence patterns are similar to both the national and previous years local data, in the year ending March 2024 there has been a decrease in motoring offences and drug offences and an increase of violence against a person, which remains the highest offence category.

Analysis of first time entrant data presented to the YJMB in March 2025, indicated that all but 1 child who became a first time entrant in the 12 months to December 2024, had committed either violence against the person, driving or drugs offences. Overall, this analysis of the offence types supports anecdotal observations around complexity and risk within the cohort of children.

## Ethnicity data



Children from Global Majority groups overall are over-represented in the offending population when compared to the general 10-17 population, although not significantly. However, it is notable that children of Mixed ethnicity are significantly over-represented in the offending population. This is supported by quarterly caseload data, as well as thematic analysis of first-time entrants. The YJS is committed to addressing this through a review of the disproportionality action plan in order to ensure there is a focus on delivering impact through specific targeted intervention and support.



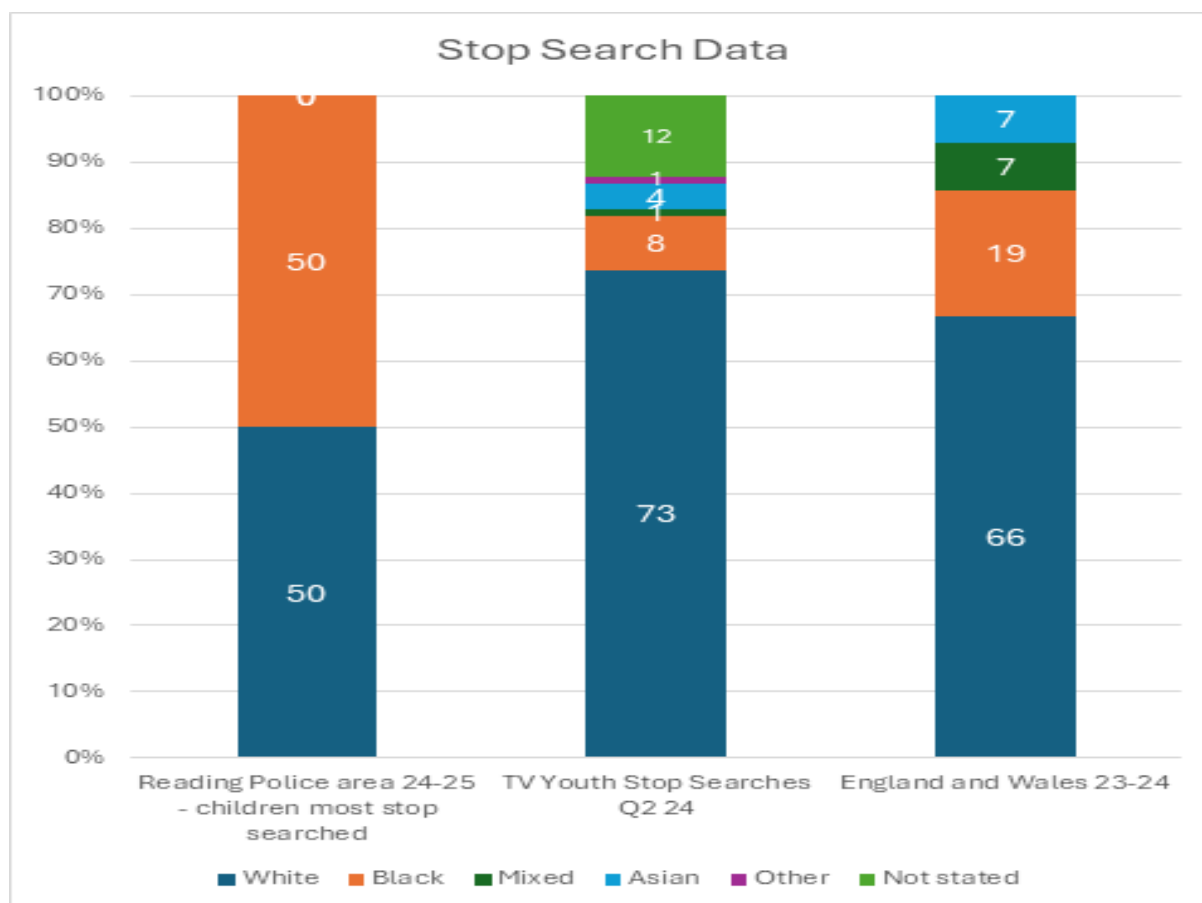
**Proportion of offences committed by ethnicity within each gravity score, year ending March 2024**

Gravity Score	Asian	Black	Mixed	Other	White	Ethnic minority groups
1 to 4	2%	6%	32%	7%	53%	47%
5 to 8	17%	21%	0%	0%	63%	38%

These data demonstrate that offences committed by black children over the year are significantly more likely to be of a higher gravity score; this has resulted in this group receiving a higher proportion of court orders, whilst white children are more likely to receive lower-level diversionary outcomes than children from Global Majority groups. This demonstrates that more work is needed to address ethnic disproportionality, and that specifically there is work required on scrutiny of out of court decision making.

### Stop and search data

The following data has been provided by partners in Thames Valley Police and is gathered from that which is publicly available.



The data shows the rate for the most frequently stop searched children in Reading in Q1 2024-25. There were 8 children in this cohort who were stopped on average 4 times each. Although a complete breakdown of data for all children is not currently available there were 59 children in total stop searched in this period.

The data is compared against the National rate of youth stop searches for 2023-24 as well as the rate for Thames Valley in Q2 of 2024, which also indicates that there is a disproportionate use of stop and search affecting Black children, albeit a relatively small over-representation in Thames Valley.

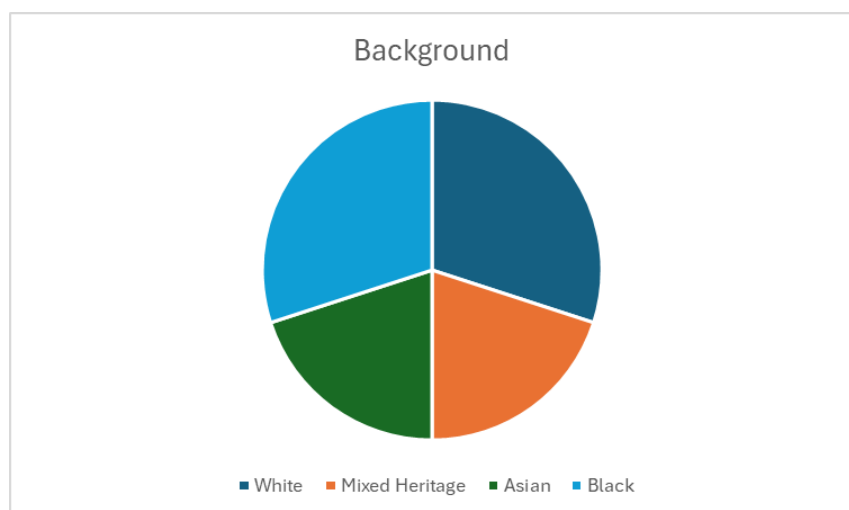
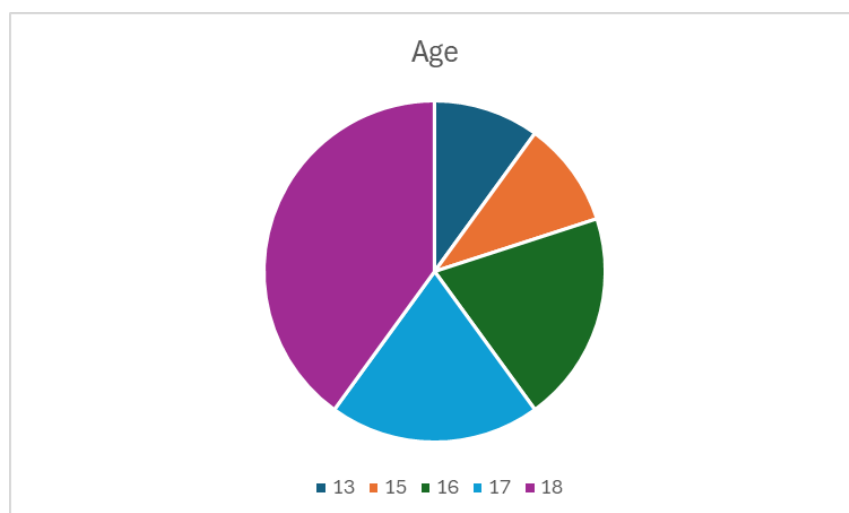
Whilst the sample size is small, the data seems to reinforce the pattern of disproportionate outcomes seen elsewhere in the Youth Justice system.

Following a presentation of stop search data to the YJMB, The YJS undertook a deep dive audit into the children stopped searched to understand more about the characteristics of these children and to explore any key themes. This was presented to the Youth Justice Management Board in March 24. The Board were aware of the focus around stop and search activities and the possible contribution to disproportionate experiences of young people and the impact on the subsequent relationship with police.

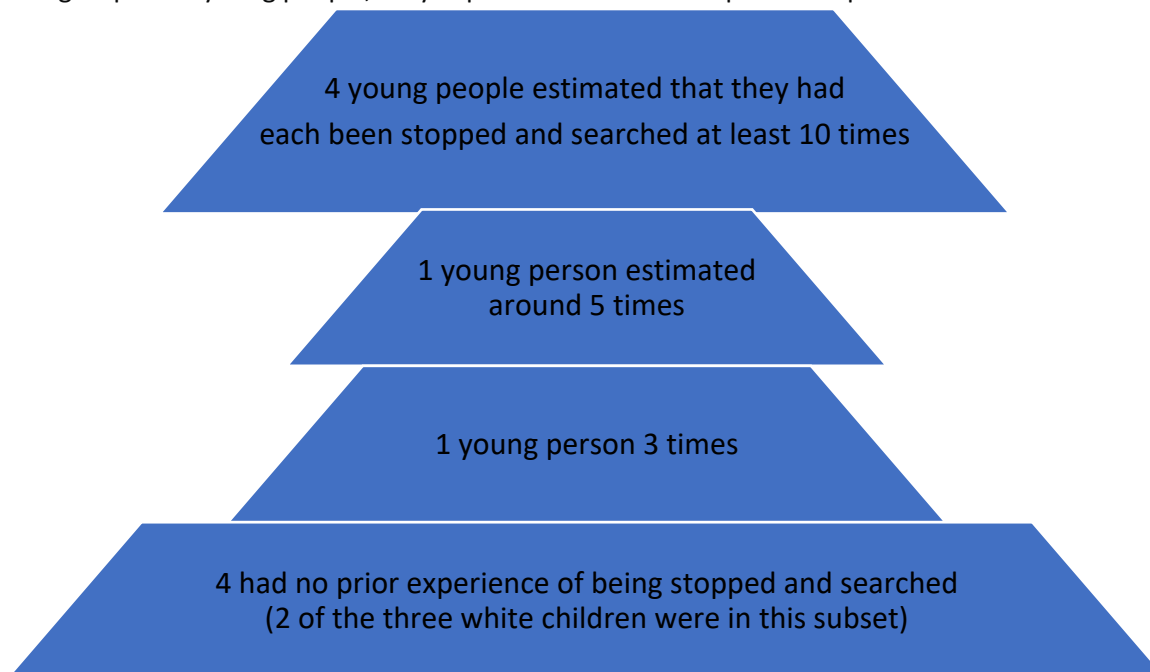
The Board were further interested in hearing some of the experiences of local children who had been stopped and searched. The YJS supported children to provide feedback around their experience of being stopped and searched. The majority of the discussions were conducted face- face.

10 children and young people were interviewed in relation to their experience of stop and search

A summary of the findings are included below.



As a group of 10 young people, they experienced over 50 stop search episodes.



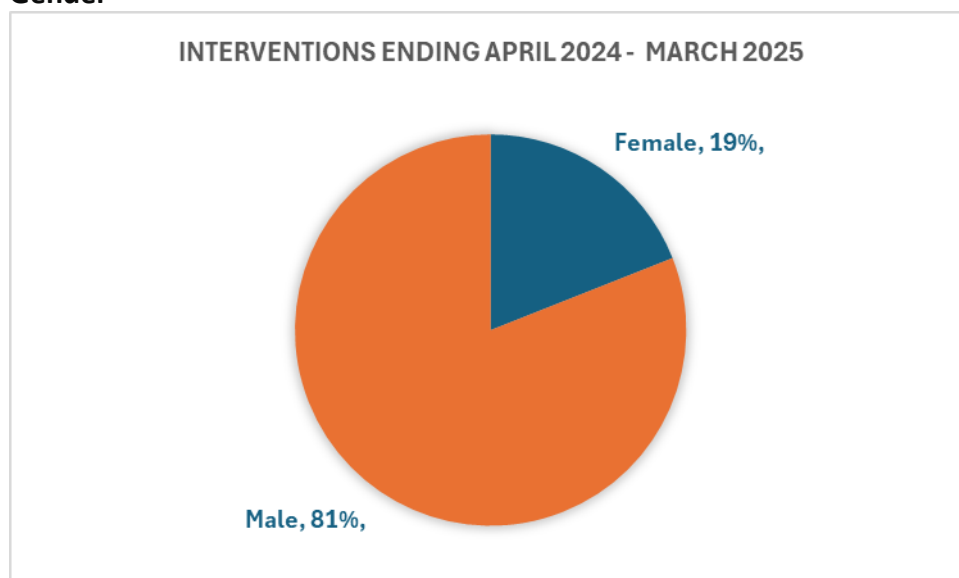
4 out of the 10 children had also experienced an intimate search. All had an appropriate adult present for these searches.

2 of those interviewed said that they were arrested as part of the stop searches that they had experienced (approximately 2% of the whole stop search episodes)

Of those that could remember the given rationale for the stop searches, 3 cited that the officers could smell cannabis as a reason for the action.

All of the children said that the officers had explained a rationale for the activity, though some of them did not see the need.

## Gender



The proportion of girls in the cohort in the most recent period is 19% compared to approximately 15% nationally, indicating a small over-representation of girls in Reading. The YJS is working with colleagues in the other 8 YJS's across Thames Valley on completing a piece of analysis on the work with girls in the Youth Justice System which will support greater understanding of this issue.

## **Prevention**

The Turnaround funding from the Ministry of Justice enabled the YJS to fund 1.68 FTE equivalent staff to provide intervention for children identified as 'on the cusp' of entering the formal Youth Justice system, to divert from doing so. This project has allowed the YJS to offer non statutory intervention with children at the point of arrest or following a Community Resolution outcome. Children are screened for eligibility and allocated to the workers who will make contact and if agreed, make an introductory visit. Children that accept the offer will be assessed and a plan will be completed, based on areas of need. Interventions are based on relationship based practice, and follow trauma informed and child first ways of working. Additional support through YJS resources or sometimes other external provision may be sourced as part of the offer for the child.

As a result of the reduction in funding for 2025-26, a revised model of delivery is now in place which involves screening children who receive Community Resolutions and come to the attention of then YJS following arrest. This screening tool was based on local analysis of children who became first time entrants in 2024, to ensure that we are offering support to those who most need it.

The target number of children required to successfully have completed an intervention by March 2025 was 59. At the end of March 2025, the YJS had successfully engaged 47 children including those closed combined with those still being supported, 12 short of the overall target. This was impacted by the resignation of staff due to the uncertainty of the future funding of the project by the Ministry of Justice.

At the time of writing, two of the children who have successfully completed an intervention through Turnaround have gone on to receive a formal judicial outcome or Youth Caution for a further offence.

## **HMIP Inspection**

His Majesty's Inspectorate of Probation (HMIP) conducted an inspection of Youth Justice Services in Reading between 9<sup>th</sup> and 13<sup>th</sup> September 2024. The inspection focused on 4 domains; 1 - Governance and Leadership, 2 - Post Court Work, 3 - Pre-Court Work and 4 - Resettlement.

HMIP published their inspection report on 3<sup>rd</sup> December 2024. Overall, the service was rated as **Inadequate**, with 4 sub ratings provided for domains 1 – 3. Domain 4 was not rated as there were no resettlement cases to inspect.

The report made the following 8 recommendations:

### **The Reading Youth Justice Service manager should:**

- 1) ensure that quality assurance arrangements, oversight of practice, and supervision arrangements consistently support staff and volunteer development
- 2) ensure that assessing activity always considers how best to achieve safety for the child and the community
- 3) ensure that planning activity is comprehensive and that it aligns effectively with activity undertaken by other services, including the consideration of appropriate contingency

arrangements

- 4) ensure that staff consistently liaise with all relevant services when delivering interventions
- 5) ensure that commensurate focus is given to the needs of victims.

**The Reading Youth Justice Management Board should:**

- 6) ensure that the YJS is both sufficiently resourced and structured to facilitate the delivery of high-quality interventions for children and the victims of crime
- 7) assure itself that the disproportionality action plan is being used effectively across the partnership to enhance equality, diversity, inclusion and belonging (EDIB)
- 8) work together to ensure that children have access to, and can engage with, high-quality, aspirational education, training and employment opportunities

A detailed and robust improvement plan was produced, endorsed by the Youth Justice Management Board and submitted to HMIP on 20<sup>th</sup> December 2024.

The plan sets out in detail how the service and partnership will meet the recommendations and address the findings. The plan is included in section 5.8 including an explanation of governance arrangements.

The service has undertaken a full review of all open cases to provide assurance that case work meets a minimum level of safety for both children and victims.

### 4.3 Risks and Issues

Last year's plan reflected the risk posed by the financial constraints impacting all local authorities and public bodies. The YJS and partnership have worked hard to overcome these and have been supported financially with permission to recruit to vacant posts, in response to inspection findings. There are a number of wider organisational challenges on the horizon that the service and partnership are working hard to overcome.

2025/26 will see Children's Services transfer from Brighter Futures for Children back in to Reading Borough Council. Whilst this is not anticipated to directly impact the delivery of Youth Justice services it is a significant change process that will impact the availability of wider support services in HR, finance etc.

2025 has also seen a significant change in Policing model across the Thames Valley, resulting in a move from 5 local police areas in Berkshire to 2. This has coincided with the creation of a new Berkshire West, Harm Reduction Unit. The YJS has worked closely with colleagues in TVP to minimise the impact of this change.

The service and partnership have worked hard to deliver the essential improvement work at pace, whilst also ensuring readiness for inspection under a new HMIP framework. The improvement plan itself was designed to support the delivery of improvement work whilst also aligning with the new inspection framework. Whilst every effort has been taken to minimise the impact on the delivery of business as usual, the leadership team is keenly aware of the potential impact on the team as a result of the pace of change.

The recently announced 12-month extension to the Ministry of Justice funded Turnaround programme is welcomed by the YJS. However, with no confirmation that this funding will be extended beyond March 2026, the YJS will need to prepare for a significant reduction in funding to deliver preventative work.

## 5. Plan for the Forthcoming Year

### 5.1 Child First

Reading Youth Justice Service and the wider partnership are committed to delivering work with children that is effective and routed in the principles of Child First. In last year's plan we set out our long-term vision for the service in which the 4 tenets of Child First are fully embedded in all that we do. The following are planned as further pieces of work towards this goal:

- 1) *Prioritise the best interests of children and recognising their particular needs, capacities, rights and potential. All work is child-focused, developmentally informed, acknowledges structural barriers and meets responsibilities towards children.*

The service will introduce a Child First statement in pre-sentence reports and Referral Order reports, setting out clearly our vision for Child First and identity development practice to sentencers and panel members.

Work to develop a Child First plan and working group to oversee the implementation of a Child First working model was delayed by the HMIP inspection and subsequent priority actions arising from this. However, the service continued to deliver workshops with staff, ensuring that the principles of Child First are consistently understood. This will continue in 2025-26.

The HMIP improvement plan, which sets out the priority actions for the service and partnership in response to the inspection, was produced through a Child First lens, ensuring consistency with the vision for the service. This work will be delivered in 2025-26.

The YJS will continue to deliver workshops on Child First practice both for YJS staff and partners throughout 2025-26.

- 2) *Promote children's individual strengths and capacities to develop their prosocial identity for sustainable desistance, leading to safer communities and fewer victims. All work is constructive and future-focused, built on supportive relationships that empower children to fulfil their potential and make positive contributions to society.*

Audit work in 2025-26 will continue to focus on ensuring that principles of child first and trauma informed practice are consistently applied to assessments, plans and interventions delivered by the YJS and that all work supports the development of positive identity.

The development of multi-agency sentence planning case formulation panel is a key piece of developmental work within the HMIP improvement plan. Once launched, these will ensure that interventions plans are supported by a clinically led psychological formulation.

The YJS will continue to work in partnership with members of the third sector including; No.5 Counselling, Reading Football Club Community Trust and New Angle, all of whom are part of the YJMB and are involved in delivering interventions to support diverting children from the Youth Justice System.

- 3) *Encourage children's active participation, engagement and wider social inclusion. All work is a meaningful collaboration with children and their carers.*



The Youth Justice Management Board will continue to engage children as part of the board and to ensure that the views of children and parents shape key decision making.

In 2024-25 the YJS started work to develop a Young People's board. Whilst still in its infancy, this has supported children to shape the direction of the YJS. This will be developed further in 2025-26. The children involved in leading the Young People's board have given us very clear feedback regarding their view of the priorities for children in Reading; namely that we focus on supporting them to develop legitimate ETE opportunities. This will inform the priorities and plan for 2025-26.

The YJS will also continue its work with Young Voices, an organisation that seeks to ensure the views of children are involved in shaping key decision making.

- 4) *Promote a childhood removed from the justice system, using pre-emptive prevention, diversion and minimal intervention. All work minimises criminogenic stigma from contact with the system.*

In May 2025 the YJS launched the Out of Court Joint Decision-Making panel in Reading. Following this, similar panels were set up across Berkshire and we now have a consistent approach being delivered across the Thames Valley. Alongside this Thames Valley Police have now adopted the Youth Diversionary Programme (Outcome 22). This option will assist the YJS in its efforts to deliver important intervention for children and victims at the right level, whilst minimising the impact of over-intervening.

The Service will continue to deliver the Act Now programme, in partnership with Reading Football Club Community Trust, working with children at risk of serious violence at the point of arrest. The following feedback was received from a parent of a child who has received this support:

*"The 12 week intervention has been absolutely amazing for M. You have helped him massively and have built a really good bond and relationship. I'm very pleased with how it has gone for him"*

## 5.2 Resources and Services

The Youth Justice Grant will be used exclusively to deliver against activities linked to the 14 Key Performance Indicators. The following activities will be funded by the grant:

- Delivery of effective assessment, intervention planning and supervision for children who have offended or who are at risk of offending in Reading
- Delivery of services to the victims of youth offending
- Development of key areas of practice such as SEND, Education Training and Employment and Restorative Justice
- Analysis of performance information to inform practice development across all areas
- Delivery and development of Community Reparation
- Development and training of staff in effective practice
- Provision of the Childview database, to support effective case management, timely submission of statutory data and the use of connectivity to ensure mandatory documentation is shared securely with the Youth Custody Service.

Local authority funding will also be used to contribute towards the delivery of these outcomes.

Funding from the Ministry of Justice will be used for the purpose of delivering the following activities as part of the Turnaround project:

- Funding one post to deliver diversionary activities for children identified as 'on the cusp' of the Youth Justice System

### 5.3 Board Development

We have worked hard since the latter half of 2023-24 to enhance and develop our strategic response to youth justice in Reading. We recruited an Independent Chair in September 2023 who comes with significant expertise regarding leading outstanding, child first Youth Justice Services and this expertise will continue support the service and partnership to embed our Child First vision and deliver the necessary improvement work in 2025-26.

We have continued to enhance the membership of our Board which now includes 3 representatives from the voluntary sector, including those with lived experience. This has assisted in bringing greater diversity to the board. The Board also now includes representation from the local authority Public Health department, representation of victims in the form of SAFE Young People's Service as well as the Lead Member for Children's Services, an important addition.

2025-26 will see continued development to quarterly performance data with richer data supporting the board to focus on impact. This will include local performance metrics which provide board members with a clearer understanding of performance against locally agree practice standards. A board away day was held in June 2025 which provided a reinforced understanding of board roles and responsibilities and a collective commitment to focusing on impact and outcomes. A refreshed focus on victims will start with an analysis of the profile of victims open to the service in June 2025.

### 5.4 Workforce Development

We recognise that in order to embed child first across everything we do, we need to take a whole service and whole system approach. This year we intend to invest in further time and capacity from our Independent Chair to get closer to practice and support the service to fully embed child first as our practice model. This will mean that we are not only challenging the partnership strategically, but also driving the evidence-based approach in the service at the same time.

Workforce development is an area which has been prioritised in delivering important improvement work in response to the HMIP inspection; the service recruited 3 qualified Probation Officers to fill case worker posts. One existing case worker is being supported to gain a professional qualification; to undertake the Youth Justice degree. The vacant victim worker post has been reviewed and recruitment to this post is a priority for 2025-26.

The workforce will receive training from 2 trusted external providers; on Anti-Racist practice and Allyship as well as 2 'psychoeducation' team workshops to enhance psychologically informed approaches to assessment, planning and intervention. In addition to this, training is being planned from within the partnership for practitioners on Structured Assessment of Violence in Youths (SAVRY) as well as AssetPlus training for both new and existing staff. The service will also deliver training to front line staff on understanding and responding to the risks of extremism and radicalisation.

New quality assurance tools were developed and launched for both AssetPlus and the Prevention and Diversion Assessment tool. These provide a dual role as both quality assurance tools and as a guide and checklist for staff. They will be embedded and reviewed in 2025-26.

The Service will continue to recruit volunteers who are representative of the local community. Work to support volunteer engagement is an important strand of the inspection improvement plan.

### 5.5 Evidence-based practice and innovation

By aspiring towards adopting Child First as a framework and guiding principle underpinning everything that we do, we aim to ensure that practice is rooted in the contemporary evidence-based understanding of what works in supporting desistance in youth justice. This follows the research of Professor Neal Hazel and others.

In partnership with colleagues in Education and Community Safety, the YJS has submitted a bid for funding to the Police and Crime Commissioner to deliver the Schools Navigators project, based on the pilot evaluated by the Violence Prevention partnership in Thames Valley. If successful, this bid will support the further development of our prevention strategy.

The reduction in funding for the Turnaround project required a change in the model of delivery for 2025-26. This has been led by local analysis of the first-time entrant cohort, which led to the development of a screening tool to support the triage of need.

The YJS will continue to seek closer working relationships with Public Health colleagues to support approaches to tackling serious violence and will ensure that Public Health colleagues are part of the strategic direction of the YJS via the YJMB.

In 2024-25 the YJS was supported by the Youth Endowment Fund, Area Leadership Programme. The pilot supported a programme of local scrutiny that has enabled the engagement of local partners to assess strengths in our local system and aspects of our approach that needs improvement. The programme highlighted strengths such as the engagement of local VCS in our work, a growing feature of both operational and strategic activity focused on reducing harm for children, whether exploitation, offender or contextual risks outside the home. The programme has highlighted that local commissioning and deployment of resource needs to be more strategic and evidence based, rather than informed by preference. Funding into the local system was also identified as a barrier, despite VCS partners providing strong offers, it is largely reliant on independent fundraising which means sustainability is a pressure on local systems.

The ALP has positioned Reading well to prepare for the Young Futures Prevention Partnerships as well as identifying cohorts of children where thematic issues unique to Reading indicate a higher likelihood of children being at risk or displaying risk taking behaviour. Young Voices, our local participative group is also creating space for children to influence future strategic thinking as well as take part in ideas for change.

The YJS has expressed interest in being part of a joint bid for funding to receive support from the Skill Mill Social Outcomes Partnership (SOP). The Skill Mill is a multi-award-winning social enterprise that provides paid employment and training to young ex-offenders aged 16-18, delivering measurable benefits for Youth Justice Services, local authorities, and communities. The Skill Mill has been demonstrated to be effective in terms of reducing reoffending, as well as delivering other socio-economic benefits.

### 5.6 Evaluation

The YJS has received £100,000 from the Police and Crime Commissioner to deliver the 'Act Now' intervention to support sustainable desistance for children who have been arrested for knife enabled offences. This follows

successful pilots involving evaluation in both Milton Keynes and Slough. The model follows a 'reachable moment' style intervention, of Youth Workers attending to support children in police custody within 90 minutes, with the offer of follow-on support.

The YJS are working in partnership with colleagues in Reading Football Club Community Trust who are delivering this intervention. Since the project launch in January 2025, 13 children have received contact as part of the project with 10 successful custodial engagements. 6 children are currently engaged in ongoing intervention.

The service has expressed an interest in piloting the use of the Pro-social Identity Scale (PIDS), developed by Professors Neal Hazel and Christopher Birkbeck of the University of Salford. The tool has been designed to enable the quantitative measurement of 'pro-social identity' and is suitable to be used with children being supported by Youth Justice Services (Hazel and Birkbeck 2024).

## 5.7 Standards for children

The Service has not delivered any further National Standards work since the self-assessment audit against the National Standard relating to Children appearing at court, completed in November 2023. There was a specific focus on children appearing for Serious Youth Violence offences. Children and parents provided feedback on their court experiences. The audit highlighted the need for further work to assist children and families to understand the court processes that they were experiencing and to ensure that there is clear and sensitive communication to children and carers.

Following the audit activity an action plan was drawn up and delivered which included:

- Team training and guidance
- Amending the Panel Report template to assist panel members in being aware of issues relating to ethnic disproportionality
- Ensuring there are different mechanisms to gain court feedback from sentencers and court users

## 5.8 Service development

The HMIP inspection outcome, 2024-25 performance data, YJB Serious Youth Violence toolkit, and YJB ethnic disparity toolkit, combined with local and national drivers for systems change in youth justice have informed the following changes in our strategic priorities:

- Reducing First Time Entrants
- Improving long term outcomes of children who have offended
- Positively addressing and reducing disproportionality of Black and global majority children
- Reducing Serious Youth Violence, including a sharper focus on extremist behaviour and violence against women and girls
- Embedding Child First and Identity Development focused Practice as the practice model across the partnership
- Improving outcomes for victims of youth crime

The following theme will cut across these priorities:

- Reducing the number of children who are Not in Education, Employment or Training or who are not receiving their full entitlement of education.

The YJS will retain the existing HMIP improvement plan, which outlines in detail how the service and partnership intends to deliver the improvements arising from inspection. Additional pieces of developmental work required to achieve the overarching priorities for 2025-26 will be merged with the HMIP improvement plan, which then becomes one delivery plan for continuous improvement.

The YJMB will hold governance of the plan, with each of the 4 pillars being led by a senior leader and representative from the partnership. A summarised version of the plan is below:

# Governance and Leadership

**Lead: Independent Board Chair**

**Board Sponsor: Head of Education Access and Support**

Action/What do we need to do	What did HMIP find/Why do we need to do it	Lead/Who will be responsible for delivery	Measures/How will we do it	Quality Assurance/Know – how will we know it is done.	BRAG
1. Ensure board members are clear on their roles and responsibilities	<i>The management board needs to commit to embedding the changes it has started to make and continue the progress made.</i>	Head of Service/Board members	<ul style="list-style-type: none"> <li>Board induction is reviewed and relaunched at away day with board.</li> <li>Chair engagement meeting with new members</li> </ul>	<i>e.g. progress is evidenced via board attendance, audit work and board papers.</i>	
2. Develop Performance report to ensure Board can respond to the needs of the cohort	<i>Areas of focus missing from performance report – e.g. victim work, substance misuse, mental health</i>	Service Manager and YJS performance lead	<ul style="list-style-type: none"> <li>Development of performance report to include:</li> <li>all KPI data are included and</li> <li>richer/granular data sets provided to allow scrutiny of performance</li> <li>Local performance measures</li> <li>Timescales from offence to outcome</li> </ul>	<i>e.g. Clear evidence of data informing Board decision making regarding operational practice and resources – evidenced via board papers and minutes.</i>	
3. Develop audit framework and audit lead to ensure consistency	<i>Outcomes from review of audits were inconsistent</i>	YJS Performance Lead/Operational Manager	<ul style="list-style-type: none"> <li>Develop QA and Performance Framework</li> </ul>	<i>e.g. progress is evidenced via the outcomes of audit which impact positively on practice.</i>	

			<ul style="list-style-type: none"> <li>• Review audit programme to ensure all audit outcomes are delivered to YJMB, Case and thematic.</li> <li>• Complete benchmarking exercise to ensure shared understanding of good and outstanding practice</li> <li>• Review audits to ensure board member involvement</li> <li>• Ensure audit framework is consistent with new HMIP framework</li> </ul>		
4. Enhance operational involvement and leadership to address disproportionality	<i>Partnership staff were not aware of disproportionality action plan</i>	Board members	<ul style="list-style-type: none"> <li>• Ensure disproportionality action plan discussed at least annually as a dedicated, focused board item</li> <li>• Board members to take ownership for communicating the plan within their organisations</li> </ul>	<i>e.g. disproportionality plan is being delivered and impact evidenced via positive impact on disproportionality measures</i>	

	<i>Additional actions from YJ pan</i>		<ul style="list-style-type: none"> <li>Events held for partnership staff celebrating diversity and global majority leaders.</li> <li>Evidence of impact for individual children from black and global majority/GRT backgrounds</li> <li>Analysis of work to support girls leading to improvements in practice</li> </ul>		
5. Ensure there is a strategic and operational lead for victims	<p><i>The voice of victims is not heard at board</i></p> <p><i>Additional actions YJ plan 2025-26</i></p>	Service Manager/Performance lead.	<ul style="list-style-type: none"> <li>Victim data to be prioritised in performance report</li> <li>Granular analysis of victim demographic and needs to ensure sufficient response</li> <li>Audit of victim work</li> <li>Explore victim representation on board</li> </ul> <p><i>Undertake detailed needs analysis of victims to support the board in</i></p>	<i>e.g. the voice of victims is heard at board via strategic representation but also clear oversight of operational work to support victims.</i>	



			<i>understanding the profile of victims in Reading.</i>		
6. Further workforce development for Board and Operational staff to ensure Child First and Evidence based practice is embedded across all interventions with children	<p><i>Management team has been unsuccessful in operationalising child first vision and balancing against management of risk/safety and well-being</i></p> <p><i>Additional action from YJ plan 2025-26</i></p>	Independent Board Chair/Service Manager	<ul style="list-style-type: none"> <li>• Staff and managers to attend additional child first training with focus on how this sits alongside robust risk/Safety management</li> <li>• Managers and staff to hold a follow up session to the training to ensure consistent understanding of key messages</li> <li>• Further workshops offered for board members for operationalising child first</li> <li>• Operationalise Young People's board</li> </ul>		
7. Board education leads to develop further the effective educational engagement pathways for children open to the YJS in insufficient educational settings	<i>The board has been unsuccessful in tackling structural barriers, e.g. education provision</i>	Head of Education/SEN Lead/Operational Manager	<ul style="list-style-type: none"> <li>• Embed educational triage procedures for children when they enter the YJS, and ensure any child with a RAG rating of RED rating to benefit from</li> </ul>		

			<p>a PEP review each half term.</p> <ul style="list-style-type: none"> <li>• Create and embed a monitoring process to ensure that the length of time children are in unsuitable education reduces over time and there is an increase in children in suitable and effective provision</li> <li>• Post-inspection review with Cranbury College to ensure assurance on educational outcomes for children open to the YJS</li> <li>• Review of educational pathways for children open to YJS ongoing, including assessment elements across agencies,</li> <li>• Review of SEND strategy to ensure YJS cohort and adolescent risk is clearly identified and responded to within the partnership with clear means of monitoring impact</li> </ul>		
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8. Ensure YJS risks are understood and communicated to Board members and operational managers across the partnership	<i>There is not a universal understanding of risks to the organisation across the partnership</i>	Independent Board Chair	<ul style="list-style-type: none"> <li>• Risk register as standing item on board agenda</li> <li>• Board members to own specific risks and evidence to the Board progress against these</li> </ul>	.	
9. Board members to deliver one report each within the next 12 months to the YJS Board relating to the YJS cohort and what their organisation is doing to improve outcomes and meet the needs of children and victims in the cohort	<i>Board members need to ensure there is a clear focus on YJ children in the work they do at board and the data they bring for scrutiny</i>	Board members	<ul style="list-style-type: none"> <li>• Review of partnership data presented to board to ensure this is relevant to children in the Youth Justice system</li> <li>• Review of Forward plan/calendar of assurance and agreement of Board member schedule for reports and progress to Board</li> <li>• Development of YJMB board report proforma to ask questions related to the impact on the work to drive improvements in the priorities embedded in the YJS plan</li> </ul>		
10. Enhance and diversify the early prevention offer	<i>YJ plan 2025-26</i>	Service manager/Head of Education Access and Support	<ul style="list-style-type: none"> <li>• Deliver school navigators project</li> <li>• Deliver positive outcomes as a result</li> </ul>		

			of the Kickz tier 1 and 2 projects		
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Staffing and Workforce Development						
Lead: Interim Transformation lead Brighter Futures for Children						
Board sponsor: Head of Probation Delivery Unit, West Berkshire						
Sub Group:						
Action/What	What did HMIP find/Why	Lead/Who	Measures/How	Quality Assurance/Know	BRAG	
11. Review of the YJS structure and assurance from Brighter Futures Leaders for agreed action and investment to staffing and recruitment	<i>Staffing arrangements are not conducive to delivering high quality interventions, and the absence of staff with a professional qualification impacts on service delivery</i>	Head of Service/Service Manager	<ul style="list-style-type: none"> <li>The service will recruit at least 2 professionally qualified staff</li> <li>Review of structures to ensure high quality delivery</li> </ul>			
12. Agreement to recruit to vacant posts and to support growth investment from across the partnership to deliver high quality YJS services	<i>Staffing levels are not sufficient</i>	Service Manager	<ul style="list-style-type: none"> <li>Recruitment to 2 x vacant case worker posts</li> <li>Explore potential to deliver prevention work once fully staffed, tying in with action on Youth Justice Plan</li> </ul>			
13. Agreement to recruit to vacant posts and to support growth investment from across the partnership to deliver high quality YJS services	<i>Service delivery has been impacted by the lack of the Probation officer</i>  <i>Additional actions from YJ plan 2025-26</i>	Service Manager	<ul style="list-style-type: none"> <li>Recruitment to Transitions Officer post</li> <li>Transitions Officer to have access to n-delius and deliver the tasks a seconded Probation Officer would.</li> <li>Transitions Officer supports the evaluation and improvement of the transitions</li> </ul>			

deliver high quality YJS services	<i>are not appropriate or sustainable</i>		<ul style="list-style-type: none"> <li>• JD for post is reviewed against new inspection standards</li> <li>• Ensure there is a review of reparation placements to ensure they are consistent with child first principles and support identity development</li> </ul>		
15. Create a dedicated workforce development strategy for the YJS team and partnership. Including Board development	<i>Workforce development plans are under-developed</i>	Head of Service/Service manager	<ul style="list-style-type: none"> <li>• Creation of workforce development strategy</li> <li>• Practitioners to each have a career progression plan including offering Youth Justice Degree and YJ certificate in effective practice</li> <li>• Review case worker JD to allow career progression to grade 7.</li> </ul>		

			<ul style="list-style-type: none"> <li>Managers – AYM Aspiring Future Leaders Programme</li> <li>YJ apprenticeship for grade 5 case workers</li> <li>Explore the feasibility of a student pathway</li> <li>Workforce development strategy to include volunteers</li> </ul>		
16. Asset plus and risk assessment/Management training to be completed and embedded into process and practice	<i>The service urgently needs to re-visit Asset-Plus training. Inspectors found an overly rigid approach to assessing risk</i>	Service Manager	<ul style="list-style-type: none"> <li>Comprehensive risk assessment and risk management training to be delivered to front line practitioners.</li> <li>Managers to ensure regular risk benchmarking delivers a clear and consistent understanding of risk</li> <li>Practitioners to attend Child First training specifically addressing delivery of Child First vs robust risk management</li> </ul>		

			<ul style="list-style-type: none"> <li>• Transitions Officer role to include regular workshops on risk delivered to staff</li> </ul>		
17. Develop practice standards and framework for measuring 'local performance'.	<i>Management oversight needs to consistently support high quality assessment, planning, and delivery of interventions</i>	Service Manager	<ul style="list-style-type: none"> <li>• Agreed set of practice standards reported on monthly, which includes management oversight –</li> <li>• Management oversight guidance is reviewed to include clear guidance on quality alongside a standardised template</li> </ul>		
18. Ensure the staffing structure has a clear lead for volunteers and volunteer training and development is included in the workforce development strategy	<i>Volunteers receive no systematic ongoing support once they have been inducted</i>	Operational Manager	<ul style="list-style-type: none"> <li>• Review of supervision arrangements for volunteers – regular meetings including development opportunities</li> <li>• Volunteers invited to team meetings</li> <li>• Workforce development</li> </ul>		



			strategy to include volunteers		
19. Implement improvements to practice around equity diversity and inclusion and ensure these are embedded in to practice.	<i>Practice around equity, diversity and inclusion was not consistent- there were instances of interpreters not being used and inconsistent recording of ethnicity</i>	Operational Manager	<ul style="list-style-type: none"> <li>• Anti-racism and allyship training planned for 2025.</li> <li>• QA forms to include this as a specific question relating to equality act and protected characteristics</li> </ul>		
20. Further develop the response to serious violence with an improved focus on violence against women and girls and radicalisation and extremism.	<i>YJ plan 2025-26</i>		<ul style="list-style-type: none"> <li>• Deliver training for staff that leads to improvements in practice.</li> <li>• Consider specialist intervention support regarding masculinity and the impact of the online world.</li> <li>• Develop response to children at risk of radicalisation in the YJ cohort</li> </ul>	<p>July 2025 update</p> <p>Prevent training delivered to staff</p> <p>Specialist support regarding VAWG and online world planned for September 2025.</p>	

Partnerships and services						
Lead: Head of Family Help and Partnerships						
Board Sponsor:						
Sub group:						
Action/What	What did HMIP find/Why	Lead/Who	Measures/How	Quality Assurance/Know	BRAG	
21. Ensure Reconnect drugs worker is dedicated to the YJS cohort and offers routine screening and assessment for any child who identifies as using alcohol, illicit substances, cigarettes/vapes	<i>Substance misuse referrals are not consistently being made</i>	Operational Manager	<ul style="list-style-type: none"> <li>Develop working agreement with Reconnect on substance misuse referrals in addition to those who receive DDS</li> <li>Identify 1 Reconnect worker to deliver this work</li> </ul>			
22. Ensure that all YJS children have access to all services that are required to meet their needs and improve outcomes	<i>Children can not access partnership interventions in all cases</i>	Operational Manager/Team Manager CAMHS	<ul style="list-style-type: none"> <li>Review of process for referral to health interventions</li> <li>Review of strategic needs analysis and comparison of offer to meet each need. Any gaps must be addressed by the Board with regard to resource investment and growth</li> </ul>			
23. Ensure effective escalation and challenge where children have not received an effective response from Children's Social Care	<i>There needs to be more consistent, effective challenge where children have not received an adequate response from Children's Social Care</i>	Head of Service/Service Manager	<ul style="list-style-type: none"> <li>Escalation and challenge to be given a dedicated field in CV and monitored in line with management oversight and supervision frequency.</li> </ul>			
24. Develop new multi-agency risk management panel to review						

risk/safety and well-being and contingency plans			<ul style="list-style-type: none"> <li>• Review of escalation process/protocol with children's social care.</li> <li>• Joint audit work to be developed.</li> <li>• Review of Management oversight framework</li> <li>• Joint supervision to be developed</li> <li>• Multi-agency Risk Management Panel</li> </ul>		
<p>25. Implement the ACT now programme</p> <p>26. YJS to consider EH Lead on Board and EH strategy focus on preventing offending behaviour</p>	<i>The service needs to strengthen the approach for intervention for children upstream at 'reachable moments'.</i>	Service Manager	<ul style="list-style-type: none"> <li>• Deliver the Act Now programme</li> <li>• YJS to consider EH Lead on Board and EH strategy focus on preventing offending behaviour</li> </ul>		
<p>27. Ensure interventions are within a trauma informed and child first environment of the YJS.</p> <p>28. Ensure police led interventions are focused on addressing presenting risk, but also provide opportunities for</p>	<i>Seconded Police Officer interventions being delivered at Police station</i>	Operational Manager	<ul style="list-style-type: none"> <li>• Formal agreement with TVP that interventions will be delivered within the YJS environment.</li> <li>• Review of interventions delivered by YJS police Officer in line</li> </ul>		

strengths based and future focused work			with Stay True to You principles		
29. Enhance the operational and strategic response to serious violence	<i>YJ plan 2025-26</i>		<ul style="list-style-type: none"> <li>• Work with partners to support the transition of the serious violence duty from the VPP to the local authority</li> <li>• Successfully deliver the Act Now intervention project demonstrating positive impact.</li> <li>• Successfully deliver the additional support programme in Cranbery college with NewAngle</li> </ul>		

Process, Systems and Quality of Practice					
Lead: Director of Children's Social Care					
Board Sponsor: Youth Justice, Thames Valley Police					
Sub Group:					
Action/ <i>What</i>	What did HMIP find/ <i>Why</i>	Lead/ <i>Who</i>	Measures/ <i>How</i>	Quality Assurance/ <i>Know</i>	BRAG
30. Create schedule of policies for review managed within performance meeting	<i>Policies are not consistently updated</i>	Operational Manager/Performance Lead	<ul style="list-style-type: none"> <li>Create schedule of policies for review managed within performance meeting</li> </ul>		

			<ul style="list-style-type: none"> <li>Priorities to develop a sentence planning process for multi-agency case formulation and planning of interventions and review of risk and safety management policy and procedures to ensure multi-agency approach to risk management and risk/safety and contingency planning</li> </ul>		
31. Develop a bespoke EDI policy for the YJS and ensure EDI is cross cutting across all refreshed policies	<i>Policies do not consistently support equity, diversity and inclusion</i>	Head of Service/Service manager	<ul style="list-style-type: none"> <li>Develop EDI policy</li> <li>Identify key policies for review</li> </ul>		
32. Board to support growth and investment in a dedicated data and performance Lead	<i>More resource for data analysis would allow greater assurance of data integrity and sophistication of analysis</i>	Head of Service/Service Manager	<ul style="list-style-type: none"> <li>Develop options to allow greater resources to support with data analysis including dedicated performance analyst</li> </ul>		

33. Develop performance dashboard relating to practice standards and timescales Develop weekly 'data day' for staff to understand work requiring action and prioritisation	<i>A number of findings demonstrated the need for increased management 'grip' on practice standards and performance</i>	Service Manager	<ul style="list-style-type: none"> <li>• Agree local practice standards</li> <li>• Create set of local performance measures</li> <li>• Development of 'data day' process</li> <li>• Creation of caseload list and monthly caseload report</li> <li>• Managers meet weekly to review performance</li> </ul>		
34. Develop QA framework	<i>QA framework application needs to be strengthened</i>	Service Manager	<ul style="list-style-type: none"> <li>• Review the current Quality assurance framework against key findings from HMIP report</li> <li>• Review and update QA tools ensuring consistency across Court and OOC assessments.</li> <li>• Review management oversight guidance and template for</li> </ul>		

			management oversight.		
35. Police to lead a review on timescales from arrest to decision making and seek to improve processes and timescales for children	<i>The timeliness of Out of Court decision making needs to improve</i>	Detective Inspector, Youth Justice Unit.	<ul style="list-style-type: none"> <li>• Performance report to include data on length of time from offence to outcome</li> <li>• TVP to provide report on timescales for board</li> <li>• Performance dashboard to include assessment and QA timescales.</li> </ul>		
36. Police and YJS to lead a detailed analysis of the OOCd cohort and ensure victim consent and completion rates for children with OOCds is reviewed and understood	<p><i>Performance data on out of Court Disposals lacks depth.</i></p> <p><i>Analysis of Out of Court disposal data is under-developed – e.g. the partnership lacked clarity on victim consent levels and engagements with</i></p>	<p>Detective Inspector, Youth Justice Unit.</p> <p>Service manager</p>	<p>Performance report for board to include:</p> <ul style="list-style-type: none"> <li>• Victim consent levels</li> <li>• Engagement with community resolutions</li> <li>• Background data on children becoming FTE's in the period</li> </ul>		



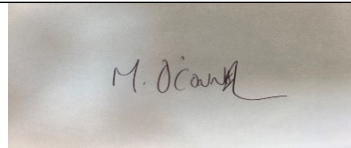

	<i>community resolutions.</i>				
37. YJS to adopt best practice template from Swindon YJS for all OOCd rationales to be written up and placed on the system-reflecting the multi-agency decision making process and child first practice	<i>JDMP outcomes were not clearly recorded</i>	Operational Manager	<ul style="list-style-type: none"> <li>BSO minutes each meeting on standardised template including clear decision rationale and actions and these are recorded on to CV.</li> </ul>		
38. Review capacity to deliver on these and ensure capacity aligns to need	<i>The lack of capacity to deliver Community Justice Panels has had a significant impact on their effectiveness</i>	Operational Manager	<ul style="list-style-type: none"> <li>Review of CJPs leads to reviewed agreement on their use moving forward.</li> </ul>		
39. Ensure the needs of children in the OOCd cohort are met with the same interventions on offer in the post court cohort and ensure that services meet with the needs identified in the YJS needs analysis and performance data	<i>Access to support for children receiving Out of Court disposals was sometimes inconsistent</i>	Operational Manager	<ul style="list-style-type: none"> <li>Training to be delivered to staff to ensure a consistent approach across court and out of court work, based on Child First principles.</li> </ul>		
40. Develop a consistent multi-agency process for case formulation, assessment of risk and safety and intervention planning	<i>The YJS need to improve the quality of assessment and plans in relation to keeping children and others safe</i>	Service Manager	<ul style="list-style-type: none"> <li>Local case management guidance to be created including:</li> </ul>		

			<ul style="list-style-type: none"> <li>• Introduce sentence planning forum (for Court and Out of Court cases), ensure this supports multi-agency case formulation/analysis, assessment of risk and intervention planning based on internal controls-identity development focused and external controls-presenting behaviour and risk focused</li> <li>• Agreed set of standard checks to be completed for all new cases</li> </ul>		
41. Ensure robust risk management arrangements are in place	<i>The service needs to improve the quality of risk management for children assessed as high or very high safety and well-being concerns and/or risk to others.</i>	Service Manager	<ul style="list-style-type: none"> <li>• Review risk management procedures and introduce Multi-agency risk management panel to replace case planning forums. Ensure this panel is multi-agency and proactively supports and shapes risk management</li> </ul>		

			planning and contingency planning		
42. Review QA arrangements for Court and out of Court to ensure they support the delivery of high quality assessments and plans	<i>The quality of Out of Court assessments, plans and interventions was consistently of a poor standard.</i>	Service Manager	<ul style="list-style-type: none"> <li>• Develop quality assurance arrangements for new PDA tool which is consistent with that for AssetPlus</li> <li>• The development of the multi-agency sentence planning forum is aligned with Out of Court work.</li> <li>• QA documents are reviewed in line with HMIP findings and relaunched. Tools will include checks against:</li> <li>• Standardised process for multi-agency checks with Police and other partners.</li> <li>• Plans are aligned with the work of other partners</li> <li>• Ensuring contingency plans are robust.</li> </ul>		

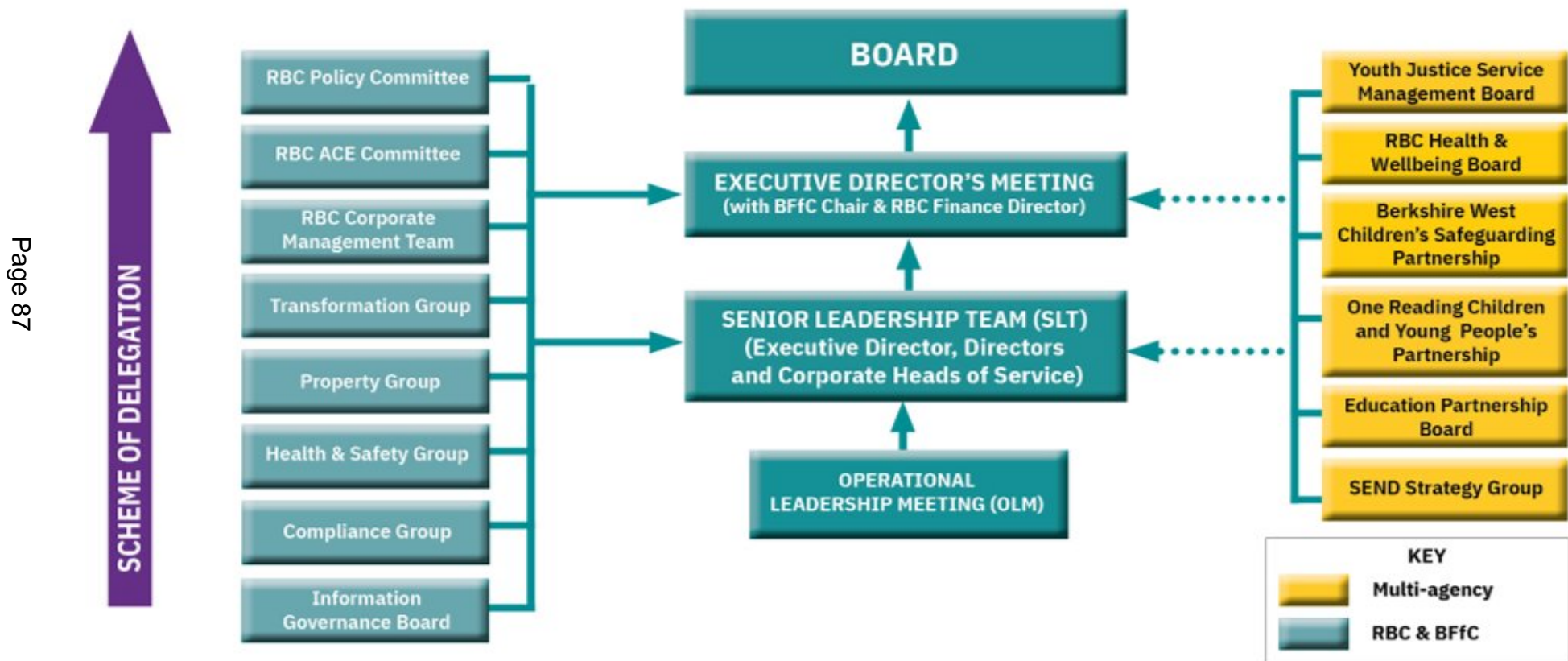
43. Reduce numbers of children becoming first time entrants	<i>YJ plan 2025-26</i>		Embed the use of YDPs demonstrating positive impact on the number of children becoming FTEs.		

## 6 Board membership, Sign off Submission and Approval

Name	Role	Organisation	Signature
Michael O'Connor	Independent Board Chair	Independent Chair	
Claire Willmot	Head Teacher	Cranbury College	
Ollie Foxell	Service Manager, Youth Justice Service and Extra Familial Harm	Brighter Futures for Children	
Jonny Bradish	Head of Service, Family Help and Partnerships	Brighter Futures for Children	
Fiona Hostler	Head of Education Access and Support	Brighter Futures for Children	
Emily Evans	Detective Chief Inspector, Harm Reduction Unit, Berkshire West	Thames Valley Police	
Matthew Prouse	Service Manager	NHS	
Maria Young	Director of Family Help and Safeguarding	Brighter Futures for Children	
Jo Middlemass	Community Partnerships Service Manager	Reading Borough Council	
Martin White	Head of Public Health	Reading Borough Council	
Alison Wilding	Director	No.5	
Thomas Jarvis	Director	N3wAngle CIC	
Carol Kelly	Youth Court Magistrate	His Majesty's Courts and Tribunals Service (HMCTS)	
Chantal Foster	Head of Probation Delivery Unit, Berks West	His Majesties Prison and Probation Service (HMPPS)	
Paul Brown	Head of Strategy and Impact/Safeguarding Lead	Reading Football Club	
Hannah Hughes	Service Manager	SAFE Young Victims Service	
Councillor Griffith	Lead Member for Children's Services	Reading Borough Council	

Sonja Janeva	Children and Young People Mental Health Commissioning Lead Berkshire West	Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board	
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## Appendix One – organisational structure charts



Role	Establishment	In Post (Mar24)	Vacancies
Service Manager	1.0	1.0	
Team Manager	1.0	1.0	
Assistant Team manager	2.0	2.0	
Performance Officer	0.6	0.5	
Business Support Officer	1.0	0.5	
YOS Case Officers	4.86	4.86	
Transitions Officer	1.0	1.0	Part funded by 0.5 Probation Officer funding
RJ Worker	2.0	1.0	Vacant – 1.0
YOS Parenting Worker	1.0	1.0	
Rapid English	0.4	0.4	
Elevate Worker	0.4	0.4	
Turnaround	1.0	1.0	
<b>BFFC Staff</b>	<b>16.26</b>	<b>14.66</b>	
<b>Other Specialist Posts (not employed by RBC)</b>			
Police	1.0	1.0	(funding used for Transitions Officer)
Probation	0.5	0.0	
CAMHS Clinician	0.33	0.33	
S & L Therapist	0.2	0.2	
Physical Health Nurse	0.27	0.27	
<b>Seconded staff</b>	<b>2.27</b>	<b>1.77</b>	
<b>TOTAL</b>	<b>18.56</b>	<b>16.46</b>	

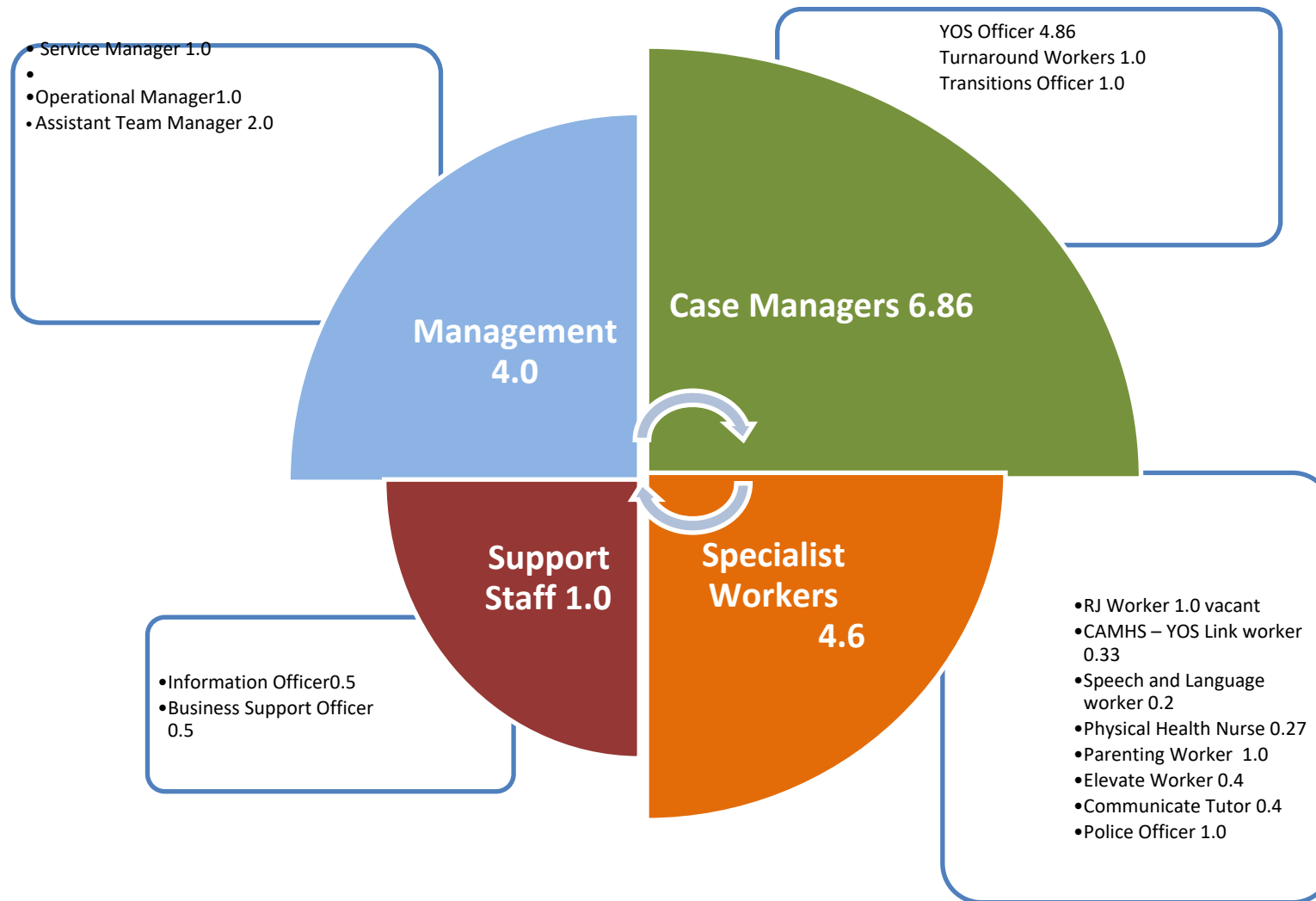
## Appendix Two - YJS Structure and staffing

Gender	
Female	14
Male	6

Ethnicity	
White	16
Black	0
Asian	4
Mixed	0
Other	0







## Council

14 October 2025



**Reading**  
Borough Council  
Working better with you

<b>Title</b>	Pay Policy Statement 2025/26
<b>Purpose of the report</b>	To note the report for information
<b>Report status</b>	Public report
<b>Executive Director commissioning report</b>	Louise Duffield, Executive Director of Resources
<b>Report author</b>	Kathryn Cook, Assistant Director HR&OD
<b>Lead Councillor</b>	Councillor Emberson, Lead Councillor for Corporate Services and Resources
<b>Corporate priority</b>	Our Foundations
<b>Recommendations</b>	1. That Council notes the Council's Pay Policy statement for 2025/2026.

### 1. Executive Summary

- 1.1. This report is to confirm the Council's policy on pay for 2025/26 and includes information about changes to pay scales for the Council's workforce.

### 2. Policy Context

- 2.1. This Pay Policy Statement meets the statutory duty to provide the Council with a description of the policy on staff remuneration for annual approval. It provides information on remuneration arrangements for staff directly employed by the Council, excluding staff in schools.
- 2.2. The authority appoints its staff and determines the terms and conditions of service on which they hold office, under Section 112 of the Local Government Act 1972. This includes procedures for dismissal. Separate statutory procedures apply to the Head of Paid Service, Section 151 Officer and Monitoring Officer.
- 2.3. Sections 38 – 43 of the Localism Act 2011 require that the authority produce a Policy Statement that covers several matters concerning the pay of the Authority's staff, principally Chief Officers. This Policy Statement meets the requirements of the Localism Act in this regard and meets the requirements of guidance issued in February 2012 and February 2013 by the Secretary of State for Communities and Local Government to which the authority is required to have regard under Section 40 of the Act.

### 3. The Proposal

- 3.1 The statement is broadly unchanged from the previous year's statement other than it has been updated with the recent nationally agreed pay settlements. The 2025/26 Pay Policy Statement is at Appendix A.

### 4. Contribution to Strategic Aims

- 4.1. Our workforce plays an essential role in achieving our ambitions as a Council. The Pay Policy Statement sets out how we remunerate employees in 2025/26.

### 5. Environmental and Climate Implications

5.1. Not applicable for this report

## **6. Community Engagement**

6.1. Not applicable for this report

## **7. Equality Implications**

7.1. An equality impact assessment is not required for this report – all pay scales, apart from those for the Head of Paid Service and Chief Officers are nationally negotiated.

## **8. Other Relevant Considerations**

8.1. None for this report

## **9. Legal Implications**

9.1. The Council is required to publish its Pay Policy Statement annually. This will be uploaded onto our website.

## **10. Financial Implications**

10.1 The financial implications of the pay changes are included within the MTFP reported separately to Council.

## **11. Timetable for Implementation**

11.1. Not applicable to this report

## **12. Background Papers**

12.1. There are none.

## **Appendices**

1. **2025/26 Pay Policy statement (with annexes)**

# **READING BOROUGH COUNCIL PAY POLICY STATEMENT 2025/26**

## **1. INTRODUCTION**

- 1.1. Reading Borough Council's pay policy aims to ensure value for money whilst enabling the Council to deliver high quality services to the residents of Reading. The Council seeks to set pay rates that are adequate to secure and retain high quality employees but will determine overall pay and benefits at an appropriate level in accordance with equality, affordability, and other relevant factors.
- 1.2. Reading Borough Council is committed to equality, transparency, and fairness across all of its activities and particularly in relation to the pay and conditions of its staff.
- 1.3. This document has the following Annexes:
  - Annex A: Requirements and Recommendations to Publish Personal data concerning Staff
  - Annex B: Governance Arrangements for Pay and Conditions of Service
  - Annex C: Summary of Conditions of Service
  - Annex D: Pay scales for staff employed on NJC (Green Book) conditions and Senior Managers (JNC).
  - Annex E: Council Employees in Salary Bands as at 1 April 2025
  - Annex F: Pension Discretions Statement
- 1.4. The following documents related to pay and remuneration can be accessed through the Council's website:
  - Details and responsibilities of all job roles paid above £50,000
  - Market Supplement Policy
  - Council Senior level organisational chart

## **2. LEGISLATION**

- 2.1. The authority appoints its staff and determines the terms and conditions of service on which they hold office, under Section 112 of the Local Government Act 1978. This includes procedures for dismissal. Full Council has delegated this power to the Personnel Committee, with the exception of the Head of Paid Service, Section 151 Officer and Monitoring Officer for whom separate statutory procedures apply.
- 2.2. Sections 38 – 43 of the Localism Act 2011 require that the authority produce a Policy Statement that covers a number of matters concerning the pay of the authority's staff, principally Chief Officers. This Policy Statement meets the requirements of the Localism Act in this regard and meets the requirements of guidance issued in February 2012 and February 2013 by the Secretary of State for Communities and Local Government to which the authority is required to have regard under Section 40 of the Act.
- 2.3. This Policy also has some connection with the data on pay and rewards for staff which the authority publishes under the Code of Recommended Practice for Local Authorities on Data Transparency and the data which is published under The Accounts and Audit (England) Regulations (2011). A revised Draft Code was

published in December 2013. It should be noted that the requirements to publish data under the Secretary of State's guidance, the Code of Practice and the Regulations do differ, the data requirements of the Code of Practice and the Accounts and Audit Regulations are summarised at **Annex A** to this Policy Statement.

2.4. Any decision on remuneration to be taken during 2025/26, under the Council's Constitution / Scheme of Delegation, will comply with this Statement. No decision at variance with this Statement will be taken without the specific agreement of full Council.

2.5. The Head of Paid Service and Assistant Director of Legal & Democratic Services must be consulted prior to any decision impacting on remuneration where there is any question regarding compliance with the Statement.

### **3. SCOPE OF THIS STATEMENT AND DEFINITION OF TERMS**

3.1. This Pay Policy Statement meets the statutory duty to provide the Council with a description of the policy on staff remuneration for annual approval. It provides information on remuneration arrangements for staff directly employed by the Council, excluding staff in schools.

3.2. This Statement sets out the Council's policy with regard to:

- the remuneration of 'Chief Officers' (the senior pay group – see below)
- the remuneration of the lowest paid employees
- the relationship between chief officers' remuneration and that of other officers

3.3. In this Policy the 'senior pay group' (senior managers) covers posts in the top three tiers of the organisation. These include the Chief Executive (Head of Paid Service), Executive Directors, Directors and Deputy/Assistant Directors. Posts in this group in Reading are as follows:

- (a) the Head of the Authority's Paid Service [Chief Executive]
- (b) the Executive Director of Children's Services
- (c) the Executive Director of Communities and Adult Social Care
- (d) the Executive Director of Economic Growth & Neighbourhood Services
- (e) the Executive Director of Resources
- (f) the Director of Finance (Section 151 Officer)
- (g) the Monitoring Officer (Assistant Director of Legal and Democratic Services)
- (h) persons who, in respect of all or most of their duties, report directly to or are directly accountable to the Head of the Council's Paid Service
- (i) persons who, as respects all or most of their duties, report directly to or are accountable to the posts listed in (b), (c) and (d), (e), above (other than staff whose duties are of a clerical or support nature)

3.4. The senior management structure of the organisation can be found in Part 2 of the Council Constitution on the Council's website.

3.5. "Remuneration" for the purposes of this Statement includes:

- basic salary
- pension
- all other allowances arising from employment

#### **4. GOVERNANCE ARRANGEMENTS AND DECISION MAKING**

- 4.1. The terms of reference of the Personnel Committee are set out in section 3 of Part 4 of the Council's constitution. Council, and the Personnel Committee, have extensive and long-standing arrangements to delegate the exercise of the power to determine the terms and conditions of all employees at Assistant Director and below to the Chief Executive.
- 4.2. The delegation is subject to the Council's Officer Employment Rules, which are set out in Part 4 of the Council's Constitution.
- 4.3. A summary of the arrangements for determining terms and conditions of service for staff can be found in **Annex B**.
- 4.4. The Council, and the Personnel Committee, have adopted a range of policies which apply to the recruitment and employment of the staff of the authority. Policies which are specifically relevant to this Statement include:
- Low Pay Policy
  - Recruitment and Selection Policy
  - Employment Stability Agreement and Pay Protection Policy
  - Appraisal Scheme and Performance-Related Progression Scheme
  - Policies relating to Market Supplements; Starting Salary on Appointment; Honorarium and Acting-Up Payments
- 4.5. The Scheme of Delegation provides for the Executive Directors, Directors and Deputy/Assistant Directors to manage, review and apply the Council's Human Resources policies, and to determine the appropriate pay and conditions for the appointment of staff within these policies.

#### **5. CONDITIONS OF SERVICE**

- 5.1. Reading Borough Council applies terms and conditions of employment that have been negotiated and agreed through appropriate collective bargaining mechanisms. These are then incorporated into contracts of employment.
- 5.2 The Council is a member of the local government employer's association for national collective bargaining in respect of Chief Executives, Chief Officers and other employees. There are separate negotiations and agreements in respect of each of these groups. Changes from national negotiations generally take effect from 1 April each year and are retrospective to 1 April where agreements are made later than 1 April. It is the authority's long-standing policy to implement national agreements.
- 5.3 The Head of Paid Service and Chief Officers are under the JNC conditions of service, with locally determined pay. All other employees are under the relevant national agreement on pay and conditions of service applying to the particular service area. Pay for the majority of staff (as set out in Annex C) was last increased nationally ('cost of living' increase) from April 2025. The national pay negotiations for Chief Officers for 2025/26 reached agreement on 24 July 2025 to award an increase of 3.2%, backdated to 1 April 2025. The negotiations for Chief Executives reached agreement on 23 July 2025, also to award an increase of 3.2%, backdated to 1 April 2025. The negotiations for The NJC pay agreement 2025 was a 3.2% per annum increase backdated to 1<sup>st</sup> April 2025 - the pay circular is dated 23<sup>rd</sup> July 2025. Staff covered by Craftworkers terms and conditions have not yet been agreed. The Council will apply any settlement reached nationally in respect of staff

covered by national bargaining machinery where this is the locally agreed mechanism.

5.2. A summary of the arrangements for determining terms and conditions of service for staff is set out in **Annex C**.

## **6. POLICY ON REMUNERATING SENIOR MANAGERS**

6.1. **Head of Paid Service:** The Head of Paid Service (Chief Executive) is paid on a locally determined salary which is reviewed and approved by Personnel Committee when the post becomes vacant. Independent external consultancy advice on appropriate remuneration levels (taking account of role and responsibilities, recruitment and retention factors and local and regional salary benchmarks) is presented to Personnel Committee to inform their decision-making in this matter.

6.2. The locally determined salary will be within the parameters of the Pay Policy Statement and will be set out in the Minutes of the Personnel Committee meeting which approves the salary, which will be published on the Council's website. The salary range will also be published in the job advertisement to fill the vacant post.

6.3. At the conclusion of the recruitment process, the decision to appoint a person to fill the post of Head of Paid Service will be taken by Council, which will be advised of the local salary, and the scale point at which the appointment was recommended to be made.

6.4. No other payments or benefits are payable to the Head of Paid Service (e.g., bonus, performance related pay, health insurance, car lease) other than those referred to elsewhere in this Policy Statement as being applicable to all employees.

6.5. Unless otherwise determined on appointment, the salary for the Head of Paid Service is subject to annual review by the Personnel Committee (on the anniversary of the date of appointment), in accordance with the following principles:

- That any changes to the spot salary paid is also subject to a satisfactory annual appraisal;
- That the salary is uplifted by the pay award nationally agreed for the JNC for Chief Executives;
- That these principles take effect on the anniversary of the date of appointment without need for Personnel Committee decision, unless an exception report is initiated by the Leader of the Council.

6.6. **Executive Directors, Directors and Deputy/Assistant Directors:** These senior staff are paid on locally determined incremental Reading Senior Management / Corporate Director (RSM / CD) salary scales. These scales are uplifted by the pay award nationally agreed (if any) for the JNC for Chief Officers. Exceptionally, the JNC pay award is not implemented for the senior pay group in times of severe budget challenge.

6.7. No other payments or benefits are payable to these senior staff (e.g., bonus, performance related pay, health insurance, car lease) other than those referred to elsewhere in this Policy Statement as being applicable to all employees.

## **7. POLICY ON REMUNERATING THE LOWEST PAID IN THE WORKFORCE**

7.1. This Policy Statement reconfirms the Council's long-standing Low Pay Policy. The grading structure allows for all staff, including apprentices, to be paid an hourly rate no lower than the Living Wage Foundation rate. The new rate of £12.60 per hour applied at the Council from 1 April 2025.



- 7.2. Reading Borough Council is also committed to the development and publication of a local policy to promote and require, to the extent permitted by law, the application of the Council's low pay policy to staff working for the Council's contractors in addition to the application of TUPE. The Council became an accredited Living Wage Employer in 2015.

## **8. PAY MULTIPLES**

- 8.1. The highest paid salary in this authority is £188,228 which is the annual salary paid to the Head of Paid Service. The current ratio between the lowest paid employee (scp 3, £24,310 per annum as at 1<sup>st</sup> April 2025) and the highest paid employee (using full-time equivalent rates) is 1:7.74. This ratio is with effect from 1<sup>st</sup> April 2025.
- 8.2. This authority does not have a policy on maintaining or reaching a specific highest / **median** 'pay multiple', however the authority is conscious of the need to ensure that the salary of the highest paid employee is not excessive and is consistent with the needs of the authority as expressed in this Policy Statement. The authority's approach to the payment of other staff is to pay that which the authority needs to pay to recruit and retain staff with the skills, knowledge, experience, abilities, and qualities needed for the post in question at the relevant time, and to ensure that the authority meets any contractual requirements for staff including the application of any local or national collective agreements, or authority decisions regarding pay. The median salary paid by the Council is £36,363.00. The pay multiple between the highest and median salary is 1: 5.18.
- 8.3. Pay multiples will be monitored each year within the Pay Policy Statement and will be benchmarked against comparable authorities as others' pay policy statements are published.
- 8.4. In terms of overall remuneration packages, the Council's policy is to differentiate by setting different levels of basic pay to reflect differences in responsibilities (job evaluation) but not to differentiate on other allowances, benefits and payments it makes.

## **9. PAY AND GRADING STRUCTURE**

- 9.1. The Council uses established formal job evaluation procedures to identify the relative worth of jobs within the Council (including the senior pay group), and to allocate jobs to the appropriate pay grade.
- 9.2. For the senior pay group (RSM /ABCD Grades) RBC uses the Hay job evaluation scheme, for other jobs we use the national NJC for Local Government Employees JE scheme.
- 9.3. The NJC Job Evaluation Scheme, which is recognised by employers and trades unions nationally, allows for robust measurement against set criteria resulting in fair and objective evaluations and satisfies equal pay requirements.
- 9.4. Pay grades are shown at **Annex D**.

## **10. PAY PROFILE**

- 10.1. **Annex E** shows employees at 1 April 2025 by salary band and then by gender, ethnic origin and disability.

- 10.2. The numbers of Black, Asian and Minority Ethnic employees and disabled employees are shown as a proportion of employees who have made a positive declaration.
- 10.3. The percentage of women is higher than men across all salary bands except for apprentice. 60.29% of the Council's workforce are women.
- 10.4. The percentage of employees from Global Majority backgrounds is highest in the RG2 Grade at 29.63%. The percentage of Black, Asian and Minority Ethnic employees in the workforce is 18.75%.
- 10.5. The number of employees who have declared a disability is highest in Apprentices at 13.64%. The percentage of employees who have declared a disability in the workforce is 4.80%.

## **11. PAY PROGRESSION**

- 11.1. Under the Council's Performance Related Progression Scheme the award of an annual increment is dependent upon an employee's achievement of performance targets and competency objectives. The scheme also links incremental progression with whether performance is improving or declining. No increment can be awarded if an employee is subject to formal disciplinary or capability (poor performance) procedures.
- 11.2. The following principles apply to pay progression for all RBC staff:
  - 'Gateways' will be established 2 or 3 increments from the top of each grade depending on its length. Progression within a grade beyond the gateway will be for wider responsibility which meets agreed competency levels, based on job evaluation (JE) factor levels;
  - Progression up to the gateway within the grade will be subject to a satisfactory assessment of performance and contribution based on management evidence throughout the year;
  - Progression between grades within career grades will be dependent on meeting competencies at the next grade level;
  - On progression matters, there will be one appeal level above the approving manager (i.e., designated officer or Assistant Director);
  - Regular 1-1s and annual reviews are fundamental to employee progression.
- 11.3. Accelerated incremental progression within the evaluated grade is only possible where there is objective evidence of outstanding performance or there is evidence that demonstrates inequality of pay level with comparable peers. Any such increase must be approved by the relevant Executive Director and reasons provided to HR.
- 11.4. In addition to 11.3, accelerated increments would be paid for the progression within an existing career grade structure where skills and competencies (including academic attainment) have been achieved which meet predetermined career grade progression criteria.
- 11.5. The acceleration of an employee through the gateway of their existing grade, needs to be evidenced and certified by the Service Manager as meeting pre-existing and defined career progression criteria and approved by the relevant

Executive Director. Copies of the evidence to support such a decision need to be placed on the employee's personal file held by HR.

11.6. Any career grade progression is conditional upon budget provision being available.

12. Employees successfully moving posts within the Council will be subject to the principle of annual incremental progression assessment.

### **13. REMUNERATION ON APPOINTMENT AND PROMOTION**

13.1. The Council's policy is to not pay any form of "signing on" fee or incentive payment when recruiting, except where there are significant recruitment difficulties that jeopardise service delivery, as identified and approved by CMT.

13.2. The starting pay point for all new employees (including internally appointed or promoted employees) should normally be the first point of the appropriate grade. There may be circumstances (e.g., offers from other employers, market forces) where it is necessary to make an offer that is at a higher point within the grade. The authority to make an offer higher than the starting point lies with the relevant Executive Director or Deputy/Assistant Director, who must also consider the equality of such an exception and must inform the Assistant Director of HR and Organisational Development of the reason for the exception. This policy applies to all staff.

13.3. At the point of any assimilation to a new grade, employees moving to a higher grade will be placed at the bottom of that new grade.

### **14. OTHER ELEMENTS OF THE REMUNERATION PACKAGE**

14.1. **Pension:** Pension provision is an important part of the remuneration package. All employees may join the local government pension scheme (or the Teachers' Pension Scheme for relevant staff) and are enrolled automatically unless they wish to opt out. The scheme is a statutory scheme with contributions from employees and from employers. The current employer contribution rate for Reading Borough Council is 16.2%. This rate is reviewed and set every three years by the actuary. Reading Borough Council is part of the Berkshire Pension Scheme, administered by the Royal Borough of Windsor and Maidenhead. Neither the Scheme nor the Council adopt different policies with regard to benefits for any category of employee: the same terms apply to the Chief Executive, Chief Officers and other staff.

14.2. **Election / Returning Officer Fees:** The Returning Officer is an officer of the Borough Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the Borough Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from their duties as an employee of the Borough Council. As Returning Officer, they are paid a separate allowance for each election for which they are responsible.

14.3. Separate fees will be paid to the Returning Officer for undertaking Returning Officer duties. These fees will be paid in line with the amount recommended by the Government or Electoral Commission for Parliamentary and European elections and referendums, or as set out in the Council's budget estimates for local elections.

14.4. The Returning Officer may appoint one or more Deputy Returning Officers and pay a fee to them for undertaking the duties that the Returning Officer allocates to them.

14.5. **Market Supplements:** The Council may pay a market supplement, in addition to base salary, in order to recruit or retain staff with special skills experience or knowledge. Market supplements are applied, reviewed, and withdrawn in accordance with the Council's market supplement policy, which is published on the Council's website. The Head of Paid Service has delegated authority to determine posts for which salary supplements will be paid, and the amount and duration of the supplement, in consultation with the Assistant Director of HR and Organisational Development and the relevant Executive Director.

14.6. **Honorarium and other temporary additional payments:**

Under the Council's scheme of delegation to officers, Executive Directors, Directors and Deputy/Assistant Directors are authorised to approve additional payments in the circumstances described below:

(a) **'Acting-up'** - The employee will receive the 'rate for the job' that they are covering if they are undertaking the full range of duties and responsibilities. As a minimum, this means that they will be paid at the first spinal column point of the grade of the post that they are acting up into. If the employee is not undertaking the full range of duties of a higher graded post, then an acting up allowance will be paid. The allowance will be a percentage of the difference between the first point on the grade of the post being covered and the employee's current salary equivalent to the percentage proportion of higher responsibility being undertaken.

(b) **Honorarium payments** - Where an employee is undertaking work on a project, or discrete piece of work which would fall outside of the normal range of duties expected for their particular post, then the employee shall be eligible for an honorarium payment for the duration of the project.

The level of payment made should be determined with regard to the level of responsibilities being undertaken and this should be determined with regard to the Council's Job Evaluation Scheme. All such payments must be approved by the Assistant Director of HR and Organisational Development to ensure proper application of the Council's policy.

The employee will be paid an amount appropriate to the proportion of their time being spent working at this higher level on a monthly basis for the duration of the project / programme.

## 15. NON-PAY ELEMENTS AND BENEFITS

15.1. **Annual Leave:** The following annual leave entitlements apply

- The minimum annual leave allowance (on appointment) will be 25 days per year
- There will be an additional 5 days at 5 years continuous local government service (granted from anniversary of start date).
- There will be an additional 3 days at 10 years Reading Borough Council service (granted from following 1 April).
- The minimum annual leave allowance (on appointment) will be 30 days per year for the senior pay group
- The maximum annual leave allowance **for all staff** will be 33 days.

15.2. **Salary Sacrifice Schemes / Employee discount schemes:** All employees can access salary sacrifice schemes for childcare vouchers, Kennet Day Nursery, Added Voluntary Contributions (AVCs) to the Local Government Pension Scheme,

bicycle purchase, and lease cars. There are also non-subsidised employee discount schemes.

- 15.3. **Flexible Working: All employees** can access flexible working arrangements from their first day of employment, subject always to the needs of the service.
- 15.4. **Car Allowances / Expenses:** The Council will meet or reimburse authorised travel, subsistence and (exceptionally) accommodation costs for attendance at necessary and approved meetings and training events. The Council does not regard such costs as remuneration but as non-pay operational costs. This policy is applied consistently to the Head of Paid Service, chief officers, and other employees. The locally determined car allowance reimbursement rate for necessary and approved work-related travel is 45p per mile for **all authorised car users**. Employees with a salary sacrifice lease car undertaking approved work-related travel receive the relevant HMRC advisory rate depending on the engine size of their vehicle. No other car allowance (e.g., monthly lump sum) is payable to any employee.

## **16. TERMINATION OF EMPLOYMENT**

- 16.1. Under the Council's Officer Employment Procedure Rules, the decision to effect dismissal or retirement on the grounds of redundancy or efficiency of the service is a decision of Personnel Committee for posts at Executive Director and above. The decision is delegated to the relevant Executive Director for all posts below this level.
- 16.2. Confirmation of the compensation paid as a result of such dismissal decisions, **for all posts**, is reported to Personnel Committee. Personnel Committee is also notified of early retirements which require employer consent and entail a cost to the Council.
- 16.3. Each of the proposals presented to the Committee must first be considered and agreed by an officer panel comprising the Director of Finance (S151 Officer), Monitoring Officer and the Assistant Director of HR and Organisational Development. This panel is established to monitor applications on the basis of consistency, legality and financial prudence. In terms of financial prudence, each case must demonstrate a 'payback period' within one year, or, exceptionally, two years in 'efficiency of the service' cases, if sufficient service and efficiency benefits to the Council can be demonstrated. This Panel also assesses associated questions e.g., exercise of exceptional discretion, reasonableness of alternative employment in redundancy cases etc.
- 16.4. Where the compensation to be paid exceeds £100,000 in total, then Council will be offered an opportunity to vote on the matter prior to approval.
- 15.5 **Discretionary Enhancement of Redundancy Payments:** The policy for the award of any discretionary payments is the same for all staff regardless of their Pay level. Redundancy payments under regulation 5 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations 2006 provide discretion to pay up to an overall lump sum of 2 times the statutory redundancy payment formula based on actual weeks' pay, capped at 52 weeks' pay (may be adjusted following consultation). This is payable to employees made redundant with 2 or more years continuous service regardless of their age. Discretionary compensation can be reduced in cases where an offer of suitable alternative employment is deemed to have been unreasonably refused.

**15.6 Special Severance Payments (SSPs):** On 12 May 2022, the Department for Levelling Up, Housing & Communities (DLUHC) issued statutory guidance, which applies to “best value authorities”, when making Special Severance Payments (SSPs) from that date. The key change is to ensure that SSPs above £20,000 but below £100,000 are personally approved and signed off by the Head of Paid Service, with a clear record of the Leader’s approval and that of any others who have signed off the payment. At the Council, this would always include the relevant Executive Director, the Section 151 Officer, and the Monitoring Officer, who will also continue to sign off SSP business cases below £20,000.

**15.7** In exceptional circumstances, and specifically to settle a claim or potential dispute, the Assistant Director of Legal and Democratic Services can agree payment of a termination settlement sum (subject to a decision of Personnel Committee if outside the normal framework for termination payments as set out in this section).

**15.8 Policy on Re-Employment:** The policy for re-employment following redundancy/efficiency termination is the same for all staff regardless of their pay level. Employees in receipt of compensation payment for loss of employment which has had discretionary enhancements applied to it are not permitted to take up employment with Reading Borough Council within 12 months of ending their current employment.

**15.9 Flexible Retirement:** in accordance with Superannuation Regulations, employees can, on or after age 55 and with Council consent, reduce their hours of work or the grade in which they are employed and draw (some or all of) their accrued pension benefits whilst continuing in employment and building up further benefits in the scheme – enabling them to ease into retirement. Employees must be 55 or over and have 3 or more months’ membership in the LGPS (including transferred rights) in order to be eligible to make a flexible retirement request following a reduction in hours or grade. Pension benefits will normally be reduced if paid before age 65. This Policy is open to all employees, subject to financial requirements being met (net savings to the Council and a payback period of no more than 2 years).

## **16. PENSION DISCRETIONS**

**16.1** The Council’s current Policy Statement on the use of discretions under the relevant Superannuation Regulations is attached as **Annex F**.

## **17. PAY PROTECTION**

**17.1** The Council’s Pay Protection Policy is approved by the Personnel Committee as part of the Employment Stability Agreement. The Policy provides a mechanism for assisting employees to adjust to a reduction in pay as a result of organisational change.

## **18. PUBLICATION OF INFORMATION ON THE REMUNERATION OF STAFF**

**18.1** This Pay Policy Statement will be published on the Council’s website. In addition, details of all posts paid above £50,000 will be published.

## **19. AMENDMENTS TO THE POLICY**

19.1 As the Policy covers the period April 2025 to the end of March 2026, amendments may need to be made to the Policy throughout the relevant period. As the Localism Act 2011 requires that any amendments are approved by the Council by resolution, proposed amendments will be reported to Personnel Committee for recommendation to the Council.

## **20. POLICY FOR FUTURE YEARS**

20.1 This Policy Statement will be reviewed each year and will be presented to Council each year for consideration in order to ensure that a policy is in place for the authority prior to the start of each financial year.

## PAY POLICY STATEMENT – ANNEX A

The Secretary of State for Communities and Local Government Code of Recommended Practice for Local Authorities on Data Transparency indicates that local authorities should publish the following data **concerning staff**:

- Salaries, job descriptions, responsibilities, budgets (including overall salary cost of staff reporting), and numbers of staff for all staff in receipt of a salary of more than £50,000
- An organisational chart of the staff structure of the authority including salary bands and details of currently vacant posts
- The 'pay multiple' – the ratio between the highest paid salary and the median average salary of the whole authority workforce

The Accounts and Audit (England) Regulations (2011) require that the following data is included in the authority's accounts:

- Numbers of employees with a salary above £50k per annum (pro-rata for part-time staff) in multiples of £5k
- Job title, remuneration and employer pension contributions for senior officers. Senior officers are defined as Head of Paid Service, Statutory Chief Officers and Non-Statutory Chief Officers by reference to Section 2 of the 1989 Local Government & Housing Act.
- Names of employees paid over £150k per annum

For the above remuneration is to include:

- Salary, fees or allowances for the current and previous year
- Bonuses paid or receivable for the current and previous year
- Expenses paid in the previous year
- Compensation for loss of employment paid to or receivable, or payments made in connection with loss of employment
- Total estimated value of non-cash benefits that are emoluments of the person

For the above pension contributions to include:

- The amount driven by the authority's set employer contribution rate
- Employer costs incurred relating to any increased membership or award of additional pension



**GOVERNANCE ARRANGEMENTS FOR PAY AND CONDITIONS OF SERVICE**

*[Note: these provisions are subject to amendment as the source documents are amended]*

**1.1. Constitution of Reading Borough Council**

**Part 3 Responsibility for Council Functions:**

<b>Power to appoint staff, and to determine the terms and conditions on which they hold office (including procedures for dismissal)</b>	Section 112 of the Local Government Act 1972.	General Delegation to Chief Executive, Executive Directors, Directors and Deputy/Assistant Directors
<b>Power to appoint officers for particular purposes (appointment of “proper officers”)</b>	Section 270(3) of the Local Government Act 1972	Personnel Committee
<b>Duty to designate officer as head of the authority’s paid service, and deputy head of paid service and to provide staff, etc</b>	Section 4(1) of the Local Government & Housing At 1989 (c. 42)	Council

1.2. The **Officer Employment Procedure Rules** are in Part 4 of the Constitution.

**SUMMARY OF CONDITIONS OF SERVICE**

**Chief Executive**

The terms and conditions for the Head of Paid Service are as set out by the Joint Negotiating Committee (JNC) for Chief Executives, and as determined locally. Pay is determined locally.

**Executive Directors**

The terms and conditions for Executive and Executive Directors are in accordance with the Scheme of Conditions of Service agreed by the National Joint Negotiating Committee for Chief Officers, and as determined locally. Pay is determined locally.

**Directors and Deputy/Assistant Directors (third tier – i.e. reporting directly to the Head of Paid Service or an Executive Director)**

The terms and conditions for Directors and Deputy/Assistant Directors are as set out by the Joint Negotiating Committee (JNC) for Chief Officers, and as determined locally. Pay is determined locally.

**NJC Staff**

The Terms and conditions for NJC staff are determined by the National Joint Council (NJC) for Local Government Services, and as determined locally.

**Craft Employees**

The Terms and conditions for NJC staff are determined by the National Joint Council (NJC) for Craft and Associated Employees, and as determined locally.

**Teachers**

The terms and conditions for Teachers are as set out in the School Teachers Pay and Conditions Document.

**Soulbury Staff**

The Soulbury Committee determines the national salary framework for Soulbury staff and terms and conditions, as amended locally.

**Youth Workers**

The terms and conditions for Youth Workers are as determined by the Joint Negotiating Committee (JNC) for Youth and Community Workers, and as amended locally.

**Coroners**

The terms and conditions for Coroners are set by the Joint Negotiating Committee for Coroners, and as amended locally.

New NJC Pay Structure - April 2025					
SCP	Per Annum	Per Hour	Current Grades		SCP
53	£68,051	£ 35.27	RG10		53
52	£66,463	£ 34.45			52
51	£64,874	£ 33.63			51
50	£63,472	£ 32.90			50
49	£62,071	£ 32.17	RG9		49
48	£60,669	£ 31.45			48
47	£59,267	£ 30.72			47
46	£57,868	£ 29.99			46
45	£56,730	£ 29.40	RG8		45
44	£55,618	£ 28.83			44
43	£54,495	£ 28.25			43
42	£53,460	£ 27.71			42
41	£52,413	£ 27.17	RG7		41
40	£51,356	£ 26.62			40
39	£50,269	£ 26.06			39
38	£49,282	£ 25.54			38
37	£48,226	£ 25.00	RG6		37
36	£47,181	£ 24.46			36
35	£46,142	£ 23.92			35
34	£45,091	£ 23.37			34
33	£44,075	£ 22.85	RG5		33
32	£42,839	£ 22.20			32
31	£41,771	£ 21.65			31
30	£40,777	£ 21.14			30
29	£39,862	£ 20.66	RG4		29
28	£39,152	£ 20.29			28
27	£38,220	£ 19.81			27
26	£37,280	£ 19.32			26
25	£36,363	£ 18.85	RG3		25
24	£35,412	£ 18.35			24
23	£34,434	£ 17.85			23
22	£33,699	£ 17.47			22
21	£ -	£ -	RG2		21
20	£32,597	£ 16.90			20
19	£32,061	£ 16.62			19
18	£0	£ -			18
17	£31,022	£ 16.08	RG1		17
16	£ -	£ -			16
15	£30,024	£ 15.56			15
14	£29,540	£ 15.31			14
13	£ -	£ -	RG1		13
12	£28,598	£ 14.82			12
11	£28,142	£ 14.59			11
10	£ -	£ -			10
9	£27,254	£ 14.13	RG1		9
8	£26,824	£ 13.90			8
7	£26,403	£ 13.69			7
6	£25,989	£ 13.47			6
5	£25,583	£ 13.26	RG1		5
4	£25,185	£ 13.05			4
3	£24,796	£ 12.85			3
2	£24,413	£ 12.65			2

JNC READING SENIOR MANAGEMENT - April 2025								
SCP	Per Annum	Per Hour	GRADE					SCP
1	£62,955	£32.63	RSMD					1
2	£64,497	£33.43						2
3	£66,039	£34.23						3
4	£67,580	£35.03						4
5	£69,126	£35.83						5
6	£70,666	£36.63		RSMC				6
7	£72,207	£37.43						7
8	£73,749	£38.23						8
9	£75,292	£39.03						9
10	£76,835	£39.83						10
11	£78,377	£40.62						11
12	£79,920	£41.42						12
13	£81,462	£42.22			RSMB			13
14	£83,005	£43.02						14
15	£84,546	£43.82						15
16	£86,089	£44.62						16
17	£87,634	£45.42						17
18	£89,171	£46.22						18
19	£90,720	£47.02						19
20	£92,266	£47.82						20
21	£93,804	£48.62				RSMA		21
22	£95,346	£49.42						22
23	£96,892	£50.22						23
24	£98,430	£51.02						24
25	£99,970	£51.82						25
26	£101,520	£52.62						26
27	£103,057	£53.42						27
28	£104,599	£54.22						28
29	£106,144	£55.02						29
30	£107,682	£55.81						30
31	£109,223	£56.61					CDIR	31
32	£114,156	£59.17						32
33	£117,607	£60.96						33
34	£121,304	£62.88						34
35	£125,114	£64.85						35
36	£126,332	£65.48						36
37	£130,054	£67.41						37
38	£133,774	£69.34						38
39	£141,441	£73.31						39

# PAY POLICY STATEMENT – ANNEX E

			Women		Global Majority			Disability		
Grade Bandings		Total Staff	No	%	No	ND	%	No	ND	%
App	Up to 24,310	22	8	36.36%	5	3	22.73%	3	15	13.64%
RG2	25,583	54	36	66.67%	16	5	29.63%	1	18	1.85%
RG3	28,142	180	111	61.67%	32	24	17.78%	6	76	3.33%
RG4	33,699	520	298	57.31%	109	26	20.96%	29	168	5.58%
RG5	39,152	396	240	60.61%	62	18	15.66%	16	111	4.04%
RG6	44,075	173	107	61.85%	32	5	18.50%	7	44	4.05%
RG7	50,269	217	137	63.13%	43	18	19.82%	13	71	5.99%
RG8	56,730	113	70	61.95%	19	9	16.81%	6	33	5.31%
RG9	63,472	92	55	59.78%	13	9	14.13%	6	32	6.52%
RG10	68,051	34	26	76.47%	10	3	29.41%	1	12	2.94%
RSM+		55	31	57.41%	7	10	12.73%	1	25	1.82%
		1856	1119	60.29%	348	130	18.75%	89	605	4.80%

ND = Not Disclosed

**LOCAL GOVERNMENT PENSION SCHEME REGULATIONS 2013  
STATEMENT OF POLICY ABOUT EXERCISE OF DISCRETIONARY FUNCTIONS  
SCHEME EMPLOYER DECLARATION**

The Scheme employer known as **Reading Borough Council** (the Council') has prepared this written statement of policy in relation to its exercise of certain discretionary functions available under the Local Pension Scheme Regulations 2013. The Scheme employer declares that it will keep this statement under review and publish the statement (and any amendments made thereto) in a place that is easily accessible to all of its eligible Scheme employees and that it will provide to the administering authority the most up to date version of the statement at all times.

**PART A – Formulation of COMPULSORY policy in accordance with Regulation 60 of the**

**Local Government Pension Scheme Regulations 2013**

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**Regulation 16 – Additional Pension Contributions**

The Scheme employer may resolve to fund in whole or in part any arrangement entered into by an active scheme member to pay additional pension contributions by way of regular contributions in accordance with **Regulation 16(2)(e)**, or by way of a lump sum in accordance with **Regulation 16(4)(d)**.

The Scheme employer may enter into an APC contract with a Scheme member who is contributing to the MAIN section of the Scheme in order to purchase additional pension of not more than the additional pension limit (£6,500 from 1<sup>st</sup> April 2014 subject to annual increase in line with the Pensions (Increase) Act 1971).

The amount of additional contribution to be paid is determined by reference to actuarial guidance issued by the Secretary of State.

Consideration needs to be given to the circumstances under which the Scheme employer may wish to use their discretion to fund in whole or in part an employee's Additional Pension Contributions.

**Scheme Employer's policy concerning the whole or part funding of an active member's additional pension contributions**

**The Council has resolved not to adopt this discretion at this time.**

**Regulation 30(6) – Flexible Retirement**

An active member who has attained the age of 55 or over and who with the agreement of their employer reduces their working hours or grade of employment may, with the further consent of their employer, elect to receive immediate payment of all or part of the retirement pension to which they would be entitled in respect of that employment as if that member were no longer an employee in local government service on the date of the reduction in

hours or grade (*adjusted by the amount shown as appropriate in actuarial guidance issued by the Secretary of State – separate policy required under Regulation 30(8)*).

As part of the policy making decision the Scheme employer must consider whether, in addition to the benefits the member may have accrued prior to 1 April 2008 (which the member must draw), to permit the member to choose to draw all, part or none of the pension benefits they built up after 31 March 2008 and before 1 April 2014 and all, part or none of the pension benefits they built up after 1 April 2014.

Due consideration must be given to the financial implications of allowing an employee to draw all or part of their pension benefits earlier than their normal retirement age.

### **Scheme Employer's policy concerning flexible retirement**

**The Council has resolved that it will give such an opportunity to its employees. Flexible Retirement under this discretion will be subject to an agreed policy framework. The Council has resolved that waiving actuarial reduction in full or in part will only be considered where there will be a sufficient financial or other benefit to the authority. An exception to this requirement is the employee's exceptionally difficult personal or domestic circumstances.**

### **Regulation 30(8) – Waiving of Actuarial Reduction**

Where a Scheme employer's policy under regulation 30(6) (flexible retirement) is to consent to the immediate release of benefits in respect of an active member who is aged 55 or over, those benefits must be adjusted by an amount shown as appropriate in actuarial guidance issued by the Secretary of State (commonly referred to as actuarial reduction or early payment reduction).

A Scheme employer (or former employer as the case may be) may agree to waive in whole or in part and at their own cost, any actuarial reduction that may be required by the Scheme Regulations.

Due consideration must be given to the financial implications of agreeing to waive in whole or in part any actuarial reduction.

### **Scheme Employer's policy concerning the waiving of actuarial reduction**

**The Council has resolved that it does not consent to waive any actuarial reduction for staff electing to retire at age 55 or over, unless there is a sufficient financial or other benefit to the Council. An exception to this requirement is the employee's exceptionally difficult personal or domestic circumstances.**

### **Regulation 31 – Award of Additional Pension**

A Scheme employer may resolve to award

(a) an active member, or

(b) a member who was an active member but dismissed by reason of redundancy, or business efficiency, or whose employment was terminated by mutual consent on grounds of business efficiency,

additional annual pension of, in total (including any additional pension purchased by the Scheme employer under Regulation 16), not more than the additional pension limit (£6,500 from 1<sup>st</sup> April 2014 subject to annual increase in line with the Pensions (Increase) Act 1971).

Any additional pension awarded is payable from the same date as any pension payable under other provisions of the Scheme Regulations from the account to which the additional pension is attached.

In the case of a member falling within sub-paragraph (b) above, the resolution to award additional pension must be made within 6 months of the date that the member's employment ended.

### **Scheme Employer's policy concerning the award of additional pension**

**The Council has resolved not to adopt this discretion at this time**

### **Schedule 2 – paragraphs 2 and 3**

Where a scheme member retires or leaves employment and elects to draw their benefits at or after the age of 55 and before the age of 60 those benefits will be actuarially reduced unless their Scheme employer agrees to meet the full or part cost of those reductions as a result of the member otherwise being protected under the 85-year rule as set out in previous Regulations.

So as to avoid the member suffering the full reduction to their benefits the Scheme employer can 'switch on' the 85-year rule protections thereby allowing the member to receive fully or partly unreduced benefits but subject to the Scheme employer paying a strain (capital) cost to the Pension Fund

### **Scheme Employer's policy concerning the 'switching on of the 85-year rule**

**The Council has resolved that it does not consent to switch on the 85-year rule for staff electing to retire at age 55 unless there is a sufficient financial or other benefit to the Council. An exception to this requirement may be the employee's exceptionally difficult personal or domestic circumstances.**

## **PART B – Formulation of RECOMMENDED policy in accordance with the**

### **Local Government Pension Scheme Regulations 2013**

### **Regulation 9(1) & (3) – Contributions**

Where an active member changes employment or there is a material change which affects the member's pensionable pay during the course of a financial year, the Scheme employer may determine that a contribution rate from a different band (as set out in Regulation 9(2)) should be applied.

Where the Scheme employer makes such a determination it shall inform the member of the revised contribution rate and the date from which it is to be applied.



**Scheme Employer's policy concerning the re-determination of active members' contribution bandings at any date other than 1<sup>st</sup> April**

The Council shall re-determine contribution rates on 1<sup>st</sup> April each year only. Staff joining the scheme shall be placed in a contribution band consistent with their contracted, actual pay in the first instance except for casual staff who shall initially be placed on the lowest contribution band. The banding placement for individual staff shall be re-determined with effect from the 1<sup>st</sup> April only in subsequent years following initial placement and adjusted as necessary in the light of the pensionable pay actually earned in the previous year (using a '12 month equivalent' calculation for staff who have not worked a full year).

**Regulation 17(1) – Additional Voluntary Contributions**

An active member may enter into arrangements to pay additional voluntary contributions (AVCs) or to contribute to a shared cost additional voluntary contribution arrangement (SCAVCs) in respect of an employment. The arrangement must be a scheme established between the appropriate administering authority and a body approved for the purposes of the Finance Act 2004, registered in accordance with that Act and administered in accordance with the Pensions Act 2004.

The Scheme employer needs to determine whether or not it will make contributions to such an arrangement on behalf of its active members

**Scheme Employer's policy concerning payment of Shared Cost Additional Voluntary Contributions**

The Council will pay SCAVC contributions where an employee has elected to pay AVCs by salary sacrifice. The amount of these employer SCAVC contributions will not exceed the amount of salary sacrificed by the employee. This is a Council discretion which is subject to the employee meeting the Council's conditions for acceptance into the salary sacrifice shared cost AVC scheme and may be withdrawn or changed at any time.

**Regulation 22 – Merging of Deferred Member Pension Accounts with Active Member Pension Accounts**

A deferred member's pension account is automatically aggregated with their active member's pension account unless the member elects within the first 12 months of the new active member's pension account being opened to retain their deferred member's pension account.

A Scheme employer can, at their discretion, extend the 12-month election period.

**Scheme Employer's policy concerning merging of Deferred Member Pension Accounts with Active Member Pension Accounts**

The Council has resolved not to extend the time limit for election beyond 12 months.

**Regulation 100(6) – Inward Transfers of Pension Rights**

A request from an active member to transfer former pension rights from a previous arrangement into the Local Government Pension Scheme as a result of their employment with a Scheme employer must be made in writing to the administering authority and the Scheme employer before the expiry of the period of 12 months beginning with the date on which the employee first became an active member in an employment (or such longer period as the Scheme employer and administering authority may allow).

**Scheme Employer's policy concerning the extension of the 12-month transfer application period**

**The Council has resolved not to extend the time limit for election beyond 12 months.**

**Regulation 21(5) – Assumed Pensionable Pay**

A Scheme employer needs to determine whether or not to include in the calculation of assumed pensionable pay, any 'regular lump sum payment' received by a Scheme member in the 12 months preceding the date that gave rise to the need for an assumed pensionable pay figure to be calculated.

**Scheme Employer's policy concerning inclusion of 'regular lump sum payments' in assumed pensionable pay calculations**

**The Council has resolved that it does include in such calculations an element for 'regular lump sum payment' where it is fair, equitable and justifiable to do so.**

**Regulation 74 – Applications for Adjudication of Disagreements**

Each Scheme employer must appoint a person ("the adjudicator") to consider applications from any person whose rights or liabilities under the Scheme are affected by:

- (a) a decision under regulation 72 (first instance decisions); or
- (b) any other act or omission by a Scheme employer or administering authority,

and to make a decision on such applications.

Responsibility for determinations under this first stage of the Internal Disputes Resolution Procedure (IDRP) rests with "the adjudicator" as named below by the Scheme employer:

**Name:** Michael Graham  
**Job Title:** Assistant Director of Legal and Democratic Services  
**Address:** Civic Centre, Reading, **Tel No:** 0118 9373470  
**Email:** michael.graham@reading.gov.uk

**SCHEME EMPLOYER CONFIRMATION**

It is understood that the discretions contained within this statement of policy are applicable to all eligible members of the Scheme. The Scheme rules allow for a revised statement to be issued at least one month in advance of the date that any new policy takes effect. The

revised statement must be sent to the administering authority and the employer must publish its statement as revised in a place that is accessible to all of its eligible scheme members.

The policies made above:

Have regard to the extent to which the exercise of the discretions could lead to a serious loss of confidence in the public service;

Will not be used for any ulterior motive;

Will be exercised reasonably;

Will only be used when there is a real and substantial future benefit to the employer for incurring the extra costs that may arise;

Will be duly recorded when applied.

<b>Name in Block Capitals:</b>	JACQUELINE YATES
<b>Position:</b>	CHIEF EXECUTIVE
<b>Scheme Employer's Name:</b>	READING BOROUGH COUNCIL

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## Council

14 October 2025



**Reading**  
Borough Council  
Working better with you

<b>Title</b>	Audit and Governance Committee Annual Report
<b>Purpose of the report</b>	To note the report for information
<b>Report status</b>	Public report
<b>Executive Director/ Statutory Officer Commissioning Report</b>	Chair of the Audit and Governance Committee
<b>Report author</b>	Paul Harrington – Chief Auditor
<b>Lead Councillor</b>	Councillor Ellie Emberson, Lead Councillor for Corporate Services and Resources
<b>Council priority</b>	Ensure Reading Borough Council is fit for the future
<b>Recommendations</b>	To note the Audit & Governance Committee annual report.

### 1. Executive Summary

- 1.1. CIPFA guidance<sup>1</sup> indicates that it is best practice for the Audit and Governance Committee to produce an annual report detailing how it has complied with the 2022 CIPFA Position Statement, discharged its responsibilities, and includes an assessment of its performance. The report should be made available to the public.
- 1.2. The attached Audit and Governance Committee Annual Report (Appendix 1) sets out:
  - The Committee's remit and membership.
  - Areas covered and work of the committee during 2024/25.
  - Training undertaken by members during the year.
  - A summary of an assessment of committee effectiveness carried out by committee members and key Officers (detailed analysis is provided in Appendix 2).
  - An update on progress since the last assessment against the CIPFA guidance was carried out.
  - Possible areas identified for improvement and forthcoming plans
- 1.3 The annual report reviews the Committee's work over the last 12 months and has been produced by the Audit and Governance Committee, with input from committee members and key officers, including the Chief Auditor.
- 1.4 Audit & Governance Committee members and key officers were asked to complete a questionnaire reviewing the committee over the last municipal year. Some of the key findings are:
  - There was a high awareness among both councillors and officers of the committee's role and purpose.

<sup>1</sup> Audit Committees: Practical Guidance For Local Authorities And Police (2022 edition)  
<https://www.cipfa.org/policy-and-guidance/publications/a/audit-committees-practical-guidance-for-local-authorities-and-police-2022-edition>

- There was strong agreement that the committee adequately considered governance, internal control, and audit matters. However, officers indicated a decline in attention to risk management and financial reporting.
  - Councillors reported improved escalation of issues, whilst officers observed a decline in the promptness and follow-up of actions.
  - There was a marked improvement in councillors' awareness of training evaluations, with both groups perceiving that the committee had appropriate knowledge and skills.
  - There was still a lack of clarity as to whether private meetings occurred with either internal or external audit.
  - Both groups acknowledged the committee's value in improving governance and risk management.
- 1.5 Committee members have continued to ask questions and challenge officers where appropriate throughout the year and have requested the attendance of various officers to provide updates on areas of concern.
- 1.6 Areas for improvement are identified in section seven of Appendix One.
- 1.7 Generally, the Audit and Governance Committee complies with the 2022 CIPFA Position Statement, although it does not have any independent members on the committee and did not review the Annual Governance Statement during the year.

## **2. Contribution to Strategic Aims**

- 2.1. An effective audit committee enables the Council to meet its statutory responsibilities concerning governance and internal control arrangements, financial management, financial reporting, and internal audit, which are fundamental to the delivery of the Council's strategic aims, vision, and Corporate Plan priorities.
- 2.2. The Council Plan has established five priorities for the years 2025/28. These priorities are:
- Promote more equal communities in Reading
  - Secure Reading's economic and cultural success
  - Deliver a sustainable and healthy environment and reduce our carbon footprint
  - Safeguard and support the health and wellbeing of Reading's adults and children
  - Ensure Reading Borough Council is fit for the future
- 2.3. In delivering these priorities, we will be guided by the following set of principles:
- Putting residents first
  - Building on strong foundations
  - Recognising, respecting, and nurturing all our diverse communities
  - Involving, collaborating, and empowering residents
  - Being proudly ambitious for Reading
- 2.4. Full details of the Council Plan and the projects which will deliver these priorities are published on the Council's website - [Council plan - Reading Borough Council](#). These priorities and the Council Plan demonstrate how the Council meets its legal obligation to be efficient, effective and economical.

## **3. Environmental and Climate Implications**

- 3.1. The Council declared a Climate Emergency at its meeting on 26 February 2019 (Minute 48 refers).
- 3.2. There are no environmental or climate implications arising from the report.

## **4. Community Engagement**

- 4.1. N/A

## **5. Equality Implications**

- 5.1. Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to -
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 5.2. No equalities impact implications have been identified as arising from this report.

## **6. Other Relevant Considerations**

- 6.1. None.

## **7. Legal Implications**

- 7.1. The CIPFA Position Statement on Audit Committees in Local Authorities 2022 is guidance; however, it is noted that “CIPFA expects that all local government bodies should make their best efforts to adopt the principles, aiming for effective audit committee arrangements.”

## **8. Financial Implications**

- 8.1. Some likely indirectly as a result of the self-assessment - for example, training. In addition, remuneration might be necessary for appointed independent members.

## **9. Timetable for Implementation**

- 9.1. Not applicable.

## **10. Background Papers**

- 10.1. There are none.

## **Appendices**

1. Audit Committee Report
2. Feedback from Committee and key Officer surveys

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# AUDIT AND GOVERNANCE COMMITTEE ANNUAL REPORT

Report on the work of the  
Audit and Governance Committee  
during the 2024/25 Municipal Year



## **Audit and Governance Committee Annual Report 2024/25**

### **Introduction / Foreword by the Committee Chair:**

I'm pleased to present this year's Audit and Governance Committee Annual Report, reflecting a year of oversight, constructive challenge, and continued progress in strengthening the Council's governance, risk management, and control frameworks.

The Committee met four times during the 2024/25 municipal year, maintaining a strong attendance record and benefiting from a diverse membership, operating collaboratively, with all members actively engaging in discussions and scrutiny.

Our work this year has spanned five core areas: governance, risk and control; financial and governance reporting; internal and external audit. We received regular updates on strategic risks, internal audit recommendations, and key governance issues, including Information Governance and Traffic Regulation Orders. The Committee also reviewed the Internal Audit Plan and Charter and endorsed the Annual Assurance Report.

We welcomed continued engagement from our external auditors, KPMG, who provided updates on audit progress and key findings. While legacy issues with unaudited accounts remain, we supported pragmatic steps to address these, including the national backstop position to enable catch-up.

Training and development remained a priority, with members attending a range of sessions to enhance their understanding and effectiveness. Our annual effectiveness review, informed by surveys of members and officers, showed a continued understanding of the Committee's role, strong relationships with key officers, and increased confidence in the Committee's ability to add value.

However, we recognise there is more to do. Areas for improvement include strengthening value-for-money arrangements, reviewing the assessment of fraud risks and monitoring the counter-fraud strategy, and ensuring the Committee monitors the implementation of recommendations from the 2024/25 Annual Governance Statement. We also aim to improve visibility and engagement with External Audit.

Looking ahead to 2025/26, we anticipate a busy year. Key areas of focus will include the integration of Brighter Futures for Children into the Council (for example, governance and financial arrangements), review of the effectiveness of the whistleblowing and speaking up policies, and ongoing scrutiny of housing repairs, as well as the impact of the Local Audit Reform consultation. We have expanded our membership and made provision for an additional meeting to ensure we can meet these demands effectively.

In closing, I would like to thank all Committee members, officers, and auditors for their commitment and contributions throughout the year.

Whilst this foreword comes from me, it and this report have been reviewed at our September meeting of the Audit & Governance Committee and is presented to Council with the full support of all members.

**Councillor Josh Williams**

**Chair, Audit and Governance Committee**

## 1. Committee remit

- 1.1 The Audit and Governance Committee's role is to provide an independent, high-level focus on the adequacy of the Council's governance, risk, and control arrangements, ensuring that there is sufficient assurance over these to give increased confidence that these arrangements are effective. It has oversight of internal and external audit, financial and governance reporting.
- 1.2 The terms of reference for the committee are included within the Council's [constitution](#) (page 69) and provide more details of its remit.

## 2. Committee membership

- 2.1 The committee consisted of a total of eight members during the 2024/25 municipal year. Committee membership is based on the political composition of the Council, with five Labour Councillors and one each from The Green Party, The Conservatives, and the Liberal Democrats. The Administration Group traditionally offer the role of Chair to a member of the opposition party with the highest number of seats on the Council. This year, as in the previous year, the committee was chaired by the Green Party representative. There were no independent members on the committee during the year; however, a Lead Member was on the committee.
- 2.2 Further details of committee membership during the 2024/25 municipal year and attendance at meetings are provided in the table below (Table 1). There were four Audit and Governance Committee meetings held during the year:

**Table 1: Table showing committee members' meeting attendance during the 2024/25 municipal year.**

Member	Position	Party	Attendance				% attendance
			17/07/24	25/09/24	21/01/25	09/04/25	
Councillor Williams	Chair	Green	✓	✓	✓	✓	100%
Councillor Asare	Member	Labour	✓	✓	✓	✓	100%
Councillor Dennis	Member	Labour	✓	✓	✓	✓	100%
Councillor Gittings	Member	Labour	✓	✓	A	✓	75%
Councillor McGoldrick	Vice Chair*	Labour	✓	A	✓	✓	75%
Councillor Mitchell	Member	Conservative	A	A	✓	✓	50%
Councillor Moore	Member	Liberal Democrats	A	✓	✓	✓	75%
Councillor Stevens	Member	Labour	✓	✓	✓	✓	100%
% attendance			75%	75%	88%	100%	

- 2.3 The Audit and Governance Committee reports, and is directly accountable, to Council and is independent of scrutiny functions.

### 3. Areas covered and work of the committee.

The Audit and Governance Committee has five main areas within its remit. A summary of coverage of these during the 2024/25 municipal year is detailed below (Table 2). It was agreed at the January 2025 meeting that regular reports would only be received by the committee at every other meeting. This would enable better management of the Committee's business and allow for more discussion of agenda items.

**Table 2: Table showing key areas covered at 2024/25 Municipal Year A&G Committee meetings.**

Areas covered at meetings:	17/07/2024	25/09/2024	21/01/2025	09/04/2025
governance, risk and control	✓	✓	✓	✓
governance reporting	✓			
financial reporting	✓	✓		
external audit	✓	✓	✓	✓
internal audit	✓	✓	✓	✓

#### 3.1 Governance, risk and control

- 3.1.1 The Committee received updates on the strategic risk register, including highlighting any new and red (i.e., highest) risks, at three of its meetings, as well as an update report on the actions to improve the Council's policies, systems and processes relating to Information Governance following several internal audit limited assurance reports in this area at each of its meetings. There was also a regular review of progress in implementing high and medium-risk internal audit recommendations. Updates on Traffic Regulation Orders (TROs), housing repairs and Brighter Futures for Children Freedom of Information (FOI) requests following audits were also considered, together with details of the CIPFA Financial Management Code 2024/25 and the Ministry of Housing, Communities and Local Government (MHCLG) consultation on Local Audit Reform.

#### 3.2 Governance reporting

- 3.2.1 The first Audit and Governance Committee Annual Report detailing how the committee had complied with the 2022 CIPFA Position Statement was received, together with feedback from the self-assessment completed by committee members and key officers. It was endorsed as a fair recommendation and recommended for consideration by Council. It was noted that the Annual Governance Statement (AGS) for 2023/24, which details the overall effectiveness of the Council's governance arrangements, had not been received by the committee during the year. It had been received directly by Council for approval at their meeting in February 2025. However, the draft 2024/25 AGS had been received at the July 2025 A&G Committee meeting for review and approval as anticipated.

### 3.3 Financial reporting

- 3.3.1 Updates on the preparation and progress of the draft 2023/24 statement of accounts and the status of the 2020/21, 2021/22 and 2022/23 statement of accounts were received at the first two committee meetings of the municipal year. The committee also recommended to Council that the Director of Finance be given delegated authority to finalise and approve the 2021/22 and 2022/23 financial accounts during the year. Financial performance and monitoring reports had been removed from the Committee's remit and had reverted to Council in the previous year.

### 3.4 External Audit

- 3.4.1 Representatives from KPMG, the Council's External Auditor, were regular attendees at Committee meetings during the year, attending all meetings, providing the draft audit plan and strategy for the 2023/24 audit, progress updates on the external audit of the financial statements and planned value for money assurance work, summary of findings and key issues arising from the 2023/24 audit, the Auditor's Year End Report and the final version of the ISA260 report for 2023/24. It was noted that the 2021/22 and 2022/23 Statement of Accounts had not been audited as they would have been in the past by the Council's former auditors, Ernst and Young. Due to a national backlog in external audit opinions, a backstop position had been adopted with a disclaimed opinion issued to enable the local government sector to recover.

### 3.5 Internal Audit

- 3.5.1 The Chief Auditor provided a quarterly update on progress with the annual audit plan, together with a summary of key findings from audit reports issued since the previous meeting for the committee to review and consider. The Internal Audit Plan and Internal Audit Charter for the forthcoming year were also reviewed and approved, together with the Internal Audit Annual Assurance Report, which provided an opinion on the overall adequacy of the Council's governance, risk management and control frameworks.

### 3.6 Other

- 3.6.1 The Committee received an Annual Treasury Management review for 2023/24 and quarterly updates on Treasury Management activity. The continued use of the Council's Risk-Based Verification Policy for the Housing Benefit and Council Tax Support Scheme in 2025/26 was reviewed and endorsed.

All A&G Committee meeting agendas, papers, minutes and recordings are available online on the [Council's website](#).

## 4. Training

- 4.1 To enable committee members to fully engage in discussions and provide appropriate challenges as required, several training sessions were organised during the year. Details of training sessions attended by each committee member are detailed on the following page (Table 3). In addition, there was a training session run on Internal Audit.

**Table 3: Table showing training attended by A&G Committee members in the 2024/25 Municipal Year.**

Member	Training session									Member briefing sessions attended
	Cllr Induction / Code of Conduct	Code of Conduct	Local Govt Finance	Member Briefing Sessions	Planning, Development & Control	Planning / Planning & Enforcement Training	Prevent	LGA Risk Management	Safeguarding Children (L1) / Corporate Parenting & Adoption	
Councillor Josh Williams			✓	✓	✓	✓			✓	Devolution, domestic abuse
Councillor Ama Asare			✓	✓				✓		Statutory nuisance (environmental health), domestic abuse
Councillor Glenn Dennis			✓	✓	✓	✓	✓	✓		Statutory nuisance (environmental health), devolution, RBH presentation to members
Councillor Paul Gittings										
Councillor Finn McGoldrick					✓	✓				
Councillor Clarence Mitchell				✓						Devolution
Councillor James Moore				✓						Devolution, domestic abuse
Councillor David Stevens	✓	✓		✓						Devolution, RBH presentation to members

## 5. Committee Effectiveness

As for last year, both committee members and key Officers were invited to complete a short questionnaire seeking their opinions on the Committee's effectiveness. A summary of key findings in each is provided below, with a detailed analysis in Appendix 2.

### 5.1 Councillors survey

5.1.1 The questionnaire saw a 75% response rate, consistent with the previous year. Key findings include:

- **Understanding of Committee Role:** 83% of respondents clearly understood the committee's role and purpose, an improvement from two-thirds the previous year. The remainder had a partial understanding.
- **Issue Escalation:** All respondents agreed that the Audit & Governance Committee escalated concerns promptly to governance and leadership, up from two-thirds previously.
- **Governance and Assurance:** Nearly all respondents felt the committee had adequately considered governance, risk management, internal controls, the assurance framework, and audit matters. Two-thirds believed the Annual Governance Statement and financial reporting were also sufficiently addressed. All areas showed improvement except risk management, which remained unchanged.
- **Private Meetings with Audit:** There remains uncertainty about whether the committee or chair met privately with Internal or External Audit, though awareness has slightly improved.
- **Evaluation and Training:** Understanding of personal evaluations regarding knowledge, skills, and training needs rose significantly from 17% to 67%. All respondents reported receiving useful support, and most found training effective.
- **Committee Capability:** All respondents agreed the committee had appropriate knowledge and skills, with improved perceptions from the previous year. Secretarial and administrative support was also deemed adequate.
- **Relationships with Key Officers:** Strong relationships and access to key officers (Internal/External Audit, Director of Finance, Assistant Director of Legal and Democratic Services) were reported by 83–100% of respondents. However, visibility of the committee among these officers was slightly lower (67–83%).
- **Meeting Efficiency:** Feedback was mixed. While agreement remained high overall, some areas saw a decline in positive responses. Most respondents felt the committee was well-chaired, non-political, focused on key issues, and encouraged member engagement.
- **Performance Feedback:** There is still a lack of clarity on whether feedback is obtained from stakeholders who interact with or rely on the committee's work.
- **Recommendations and Impact:** Most respondents felt the committee made recommendations to improve governance, risk, and control. 83% believed these had traction with leadership, and 67% felt the committee added value—both metrics improved from the previous year.
- **Engagement:** As in the previous year, all respondents agreed the committee engaged with a broad range of leaders and managers.

## 5.2 Key Officers survey

5.2.1 The questionnaire received a 67% response rate. Key findings include:

- **Understanding of Role:** All respondents understood the role and purpose of the Audit & Governance (A&G) Committee, consistent with the previous year.
- **Issue Escalation:** Fewer respondents felt the committee escalated concerns promptly to governance and leadership (down from 86% to 67%), and fewer believed appropriate actions were taken following escalation.
- **Adequate Consideration of Core Areas:** While internal control and Internal Audit continued to receive full agreement, positive responses declined for risk management, the Annual Governance Statement, financial reporting, External Audit, and the assurance framework. However, agreement on governance arrangements rose from 57% to 67%, with Officer and Member views broadly aligned.
- **Private Meetings with Audit:** Uncertainty remains around whether the committee or Chair met privately with Internal or External Audit, with most respondents unaware of any such meetings.
- **Committee Expertise:** Perceptions of committee knowledge and skills improved significantly (83% vs. 43% last year), with comments noting better risk management and the benefit of experienced councillors.
- **Relationships and Visibility:** All respondents reported good access to Internal Audit, the Director of Finance, and the Assistant Director of Legal and Democratic Services. Most also agreed on good relations with External Audit and the Risk Management Team. Visibility with key officers was rated highly.
- **Meeting Efficiency:** The committee continues to be seen as well-chaired. Positive responses increased regarding member participation and dialogue with the Chair. However, agreement declined on apolitical operation, focus on improvement, addressing key agenda items, and receiving feedback.
- **Recommendations and Value:** More respondents felt the committee made effective recommendations, particularly around External Audit and risk management. Most agreed the committee added value through improved audit tracking, strategic risk oversight, and enhanced scrutiny.
- **Officer Attendance:** Agreement that responsible officers attended meetings to answer questions and respond to concerns dropped from 100% to 67%.

## 6. Progress update since the last assessment of good practice

- 6.1 This marks the second year the committee has presented an annual report to Council, outlining its performance over the past year. The report details how the committee has aligned with the CIPFA Position Statement 2022, the outcomes of its annual evaluation, actions taken or planned in response, fulfilment of its terms of reference and key issues escalated during the year. An annual effectiveness review was also conducted, incorporating feedback from Committee members, key Officers and Internal Audit via tailored questionnaires. As with the previous year, areas for improvement were identified.



- 6.2 Further progress has been made since last year's good practice assessment. During the year, the committee reviewed its first annual report, which was subsequently recommended to Council, formally approved and published as a public report on the Council's website.
- 6.3 A wide range of Officers had been involved with the Committee during the year, with some attending regularly (for example Internal and External Audit, the Executive Director of Resources, the Director of Finance, the Assistant Director of Legal and Democratic Services, the Chief Accountant, the Financial Strategy and Planning Manager, and the Health, Safety and Risk Management Lead) and some on an ad hoc basis (for example the Executive Directors of Communities and Social Care and of Economic Growth and Neighbourhood Services, the Interim Assistant Directors of Housing Landlord Services and of Digital and IT, The Revenues and Benefits Manager, and the Director of Education for Brighter Futures for Children).
- 6.4 Throughout the year, the Committee exercised its right to request attendance or update reports from relevant Directors, Assistant Directors, and Service Managers in cases where internal audits resulted in limited or no assurance. This included updates on Traffic Regulation Orders (TROs), housing repairs, cyber security and FOI responses from Brighter Futures for Children.
- 6.5 Responses to the questionnaires from Members and key Officers indicated a good level of knowledge, skills and experience within the committee. Members regularly asked questions and challenged officers, where appropriate.
- 6.6 Towards the end of the municipal year, it was agreed that regular update papers would only be received and reviewed by the committee at every other meeting to allow more time for review and challenge.
- 6.7 Generally, the Audit and Governance Committee complies with CIPFA's Position Statement 2022, although it does not have any independent members on the committee, and the 2023/24 AGS was not reviewed by the committee in the municipal year.
- 6.8 It is noted that the governance of significant partnerships had not been reviewed in the year. A paper on this was awaited, after which a decision would be taken as to where to focus attention.

## **7. Areas for improvement**

- 7.1 Areas identified for improvement are listed below:
- Confirm that robust value for money measures are in place.
  - Assess fraud risk management and monitor the counter-fraud strategy, including whistleblowing procedures, actions and resources.
  - Review the Committee's working relationship, visibility and access to External Audit.
  - Ensure the Committee monitors progress on implementing actions arising from the 2024/25 Annual Governance Statement.

## **8. Plans for 2025/26**

- 8.1 The Committee has experienced another busy year, continuing to make progress made on areas of development identified in last year's committee assessment.
- 8.2 Looking ahead, several developments are expected in the forthcoming year. Allowance has been made for an additional committee meeting to be held, should this be necessary, to accommodate the committee's workload. An additional committee member (Green Party) has been added, taking the total membership to nine. It has also been noted of the need for the committee to receive meeting papers in a timely manner to allow time for review and scrutiny.
- 8.3 Key areas for focus in the forthcoming year are anticipated to include the implications of the transfer of Brighter Futures for Children to RBC, the review of the members' gifts and declarations process, assessment of the effectiveness of the whistleblowing and speaking up policies, ongoing review of the TRO restitution scheme and its possible closure, ongoing monitoring of housing repairs and the impact of the Government's consultation on Local Audit Reform, particularly in relation to independent members.

## Appendix 2: Feedback from Committee and Officer Surveys

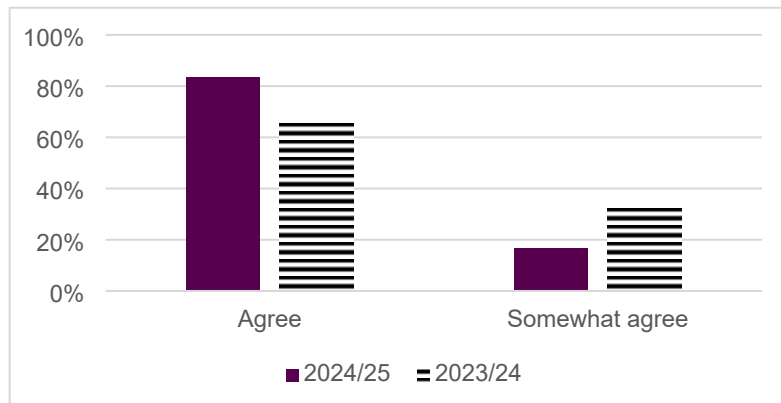
### Committee Survey

In April 2025, a self-evaluation questionnaire was circulated to all members of the Audit & Governance Committee. The questionnaire consisted of 18 structured questions, together with opportunities for free-text responses. Its purpose was to gather members' reflections, input, and assessments of the committee's performance during the 2024/25 municipal year.

A summary of the responses received is provided below and includes a comparison with responses from the previous year (2023/24), where questions were repeated

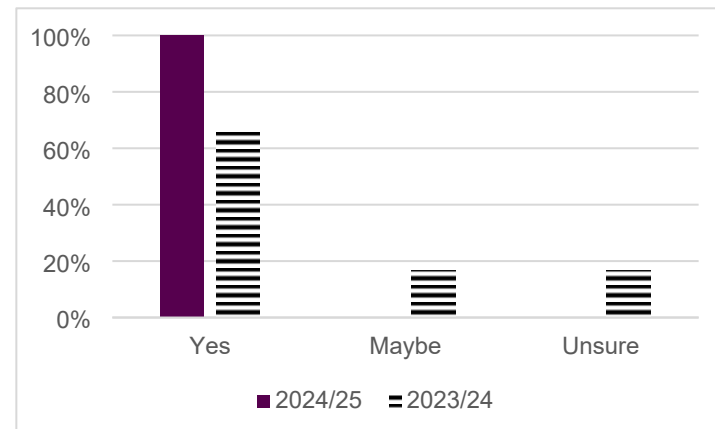
#### Q1 I understand the role and purpose of the Audit and Governance Committee

Response	2024/25	2023/24
Agree	83%	67%
Somewhat agree	17%	33%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%



#### Q2 Do you think that the Audit and Governance Committee escalates issues and concerns promptly to those in governance and leadership roles, i.e., Council and/or CMT?

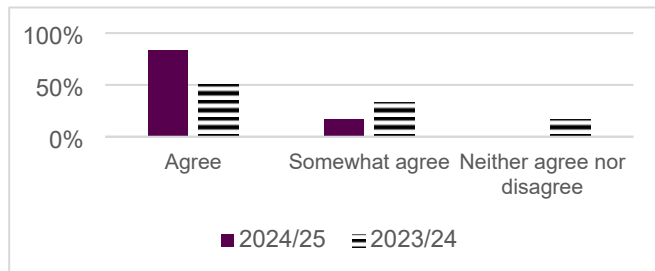
Response	2024/25	2023/24
Yes	100%	67%
Maybe	0%	17%
Unsure	0%	17%
No	0%	0%
Don't know	0%	0%
Other	0%	0%
Total	100%	100%



**Q3 Do you think that in the last year, the A&GC has given adequate consideration to all core areas listed below?**

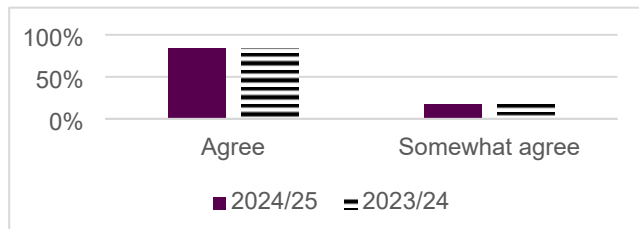
**Governance arrangements:**

Responses	2024/25	2023/24
Agree	83%	50%
Somewhat agree	17%	33%
Neither agree nor disagree	0%	17%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%



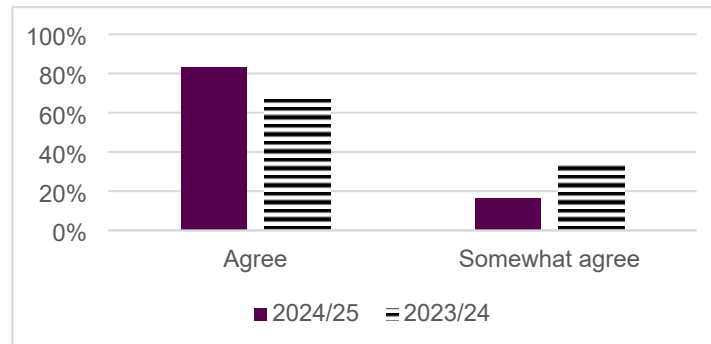
**Risk management arrangements:**

Responses	2024/25	2023/24
Agree	83%	83%
Somewhat agree	17%	17%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%



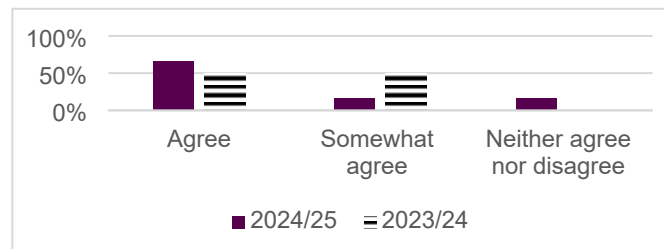
**Internal control arrangements:**

Responses	2024/25	2023/24
Agree	83%	67%
Somewhat agree	17%	33%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%



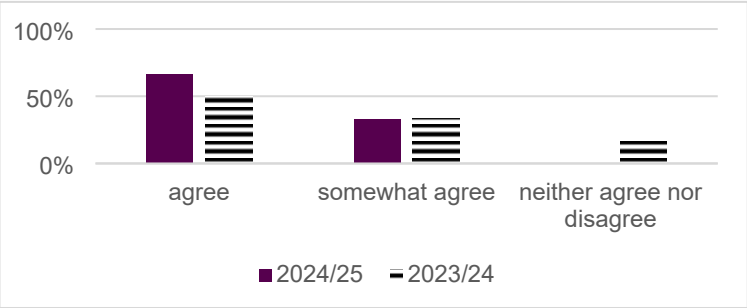
**Annual Governance Statement (AGS):**

Responses	2024/25	2023/24
Agree	67%	50%
Somewhat agree	17%	50%
Neither agree nor disagree	17%	0%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%



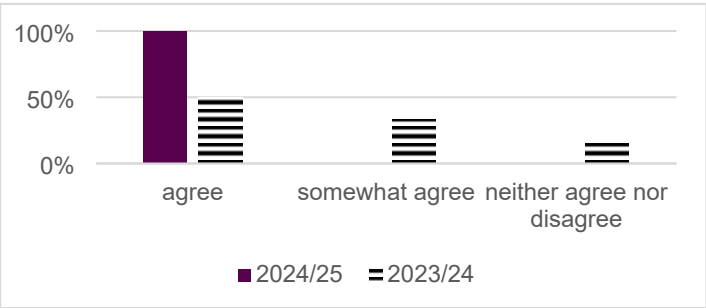
Financial reporting:

Responses	2024/25	2023/24
Agree	67%	50%
Somewhat agree	33%	33%
Neither agree nor disagree	0%	17%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%



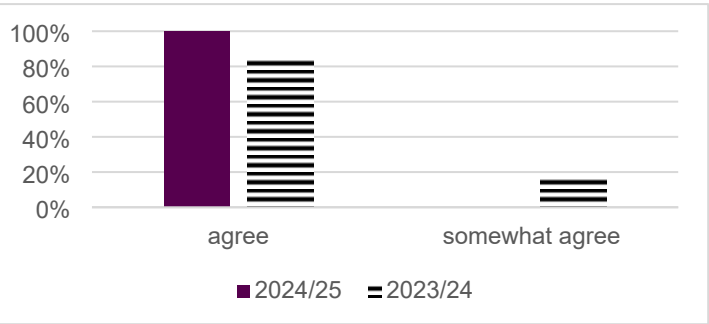
Assurance Framework:

Responses	2024/25	2023/24
Agree	100%	50%
Somewhat agree	0%	33%
Neither agree nor disagree	0%	17%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%



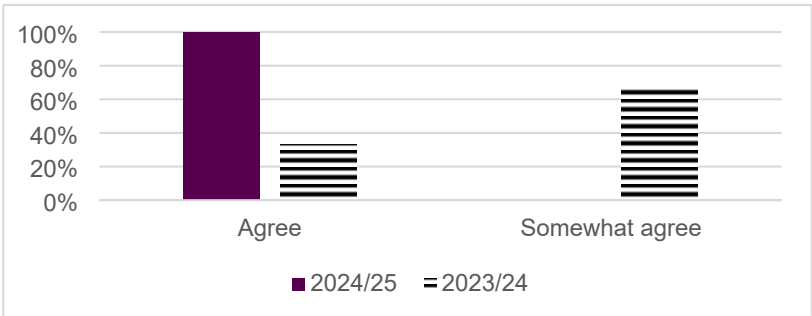
Internal Audit:

Responses	2024/25	2023/24
Agree	100%	83%
Somewhat agree	0%	17%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%



External Audit:

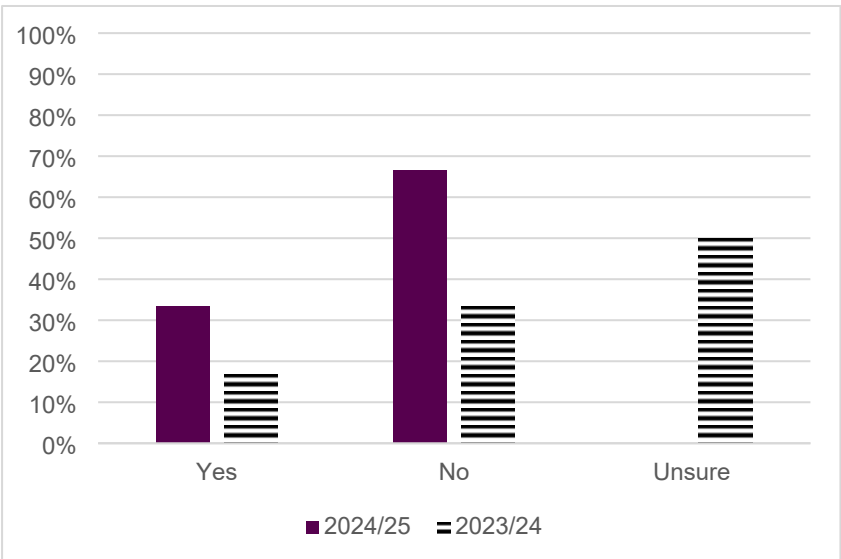
Area	2024/25	2023/24
Agree	100%	33%
Somewhat agree	0%	67%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%



**Q4 Are you aware if the committee met privately with the External**

**External Audit:**

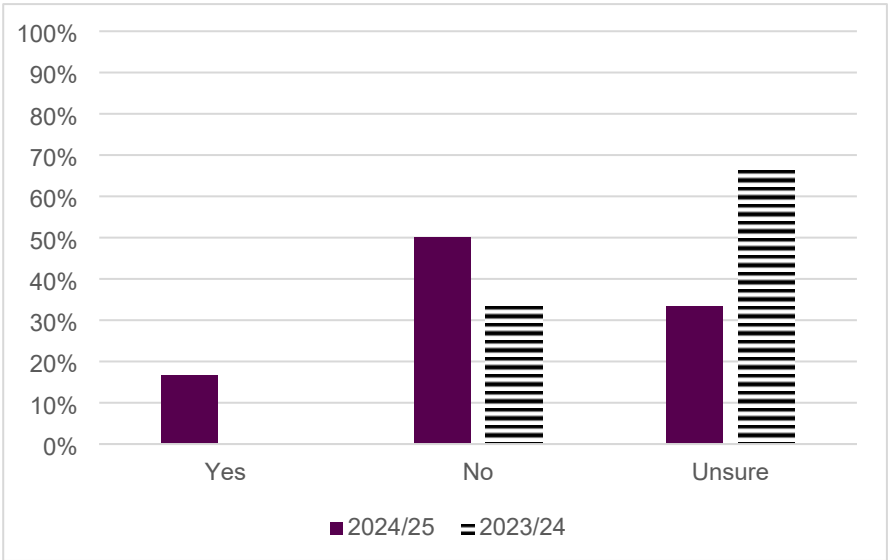
Response	2024/25	2023/24
Yes	33%	17%
No	67%	33%
Unsure	0%	50%
Total	100%	100%



**Auditors and Internal Audit within the last year?**

**Chief Auditor (Internal Audit):**

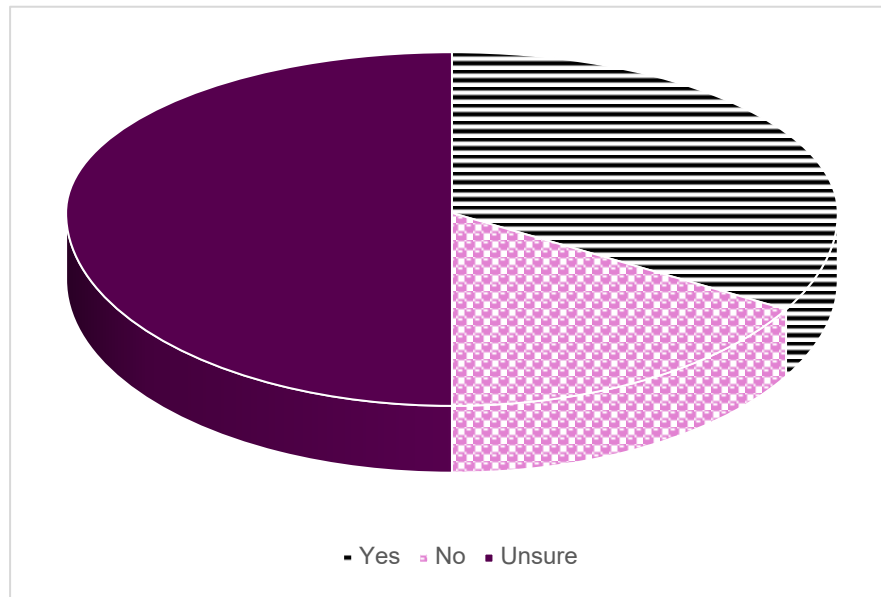
Response	2024/25	2023/24
Yes	17%	0%
No	50%	33%
Unsure	33%	67%
Total	100%	100%



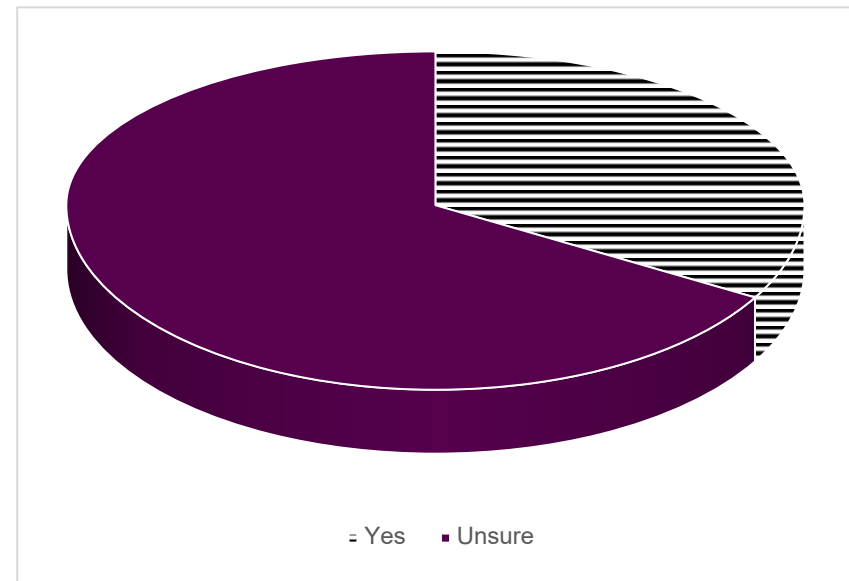
**Q5 Are you aware if the committee chair met privately with the external auditors and the Chief Auditor (Internal Audit) within the last year? (Note this question was not asked in 2023/24)**

Response	External Audit 2024/25	Internal Audit 2024/25
Yes	33%	33%
No	17%	0%
Unsure	50%	67%
Total	100%	100%

External Audit:



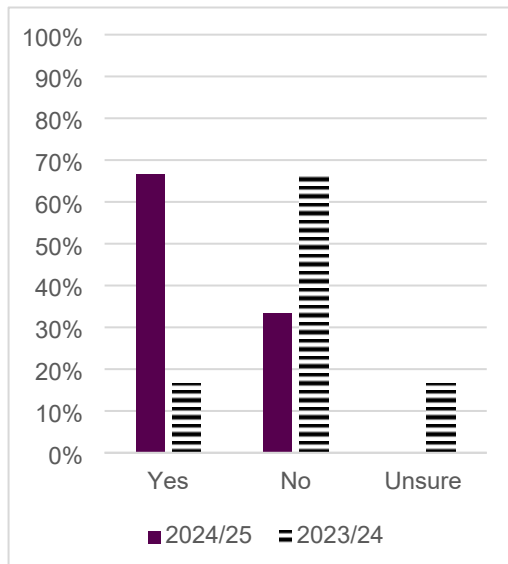
Internal Audit:



**Q6** Have you had an evaluation of your knowledge, skills, and training needs carried out since you joined the committee or within the last two years (whichever is most recent)?

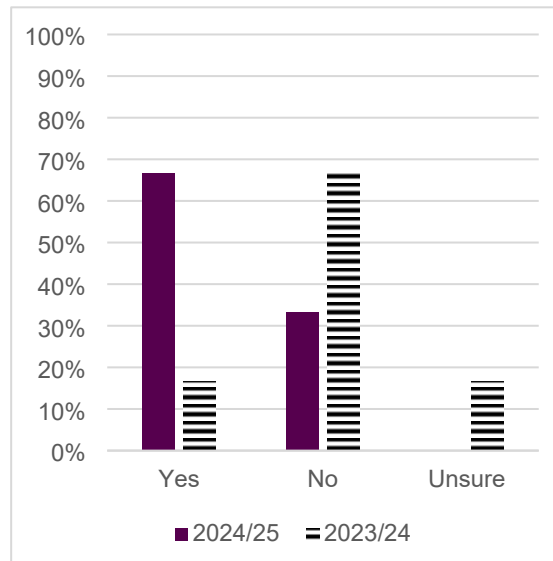
**Knowledge:**

Responses	2024/25	2023/24
Yes	67%	17%
No	33%	67%
Unsure	0%	17%
Total	100%	100%



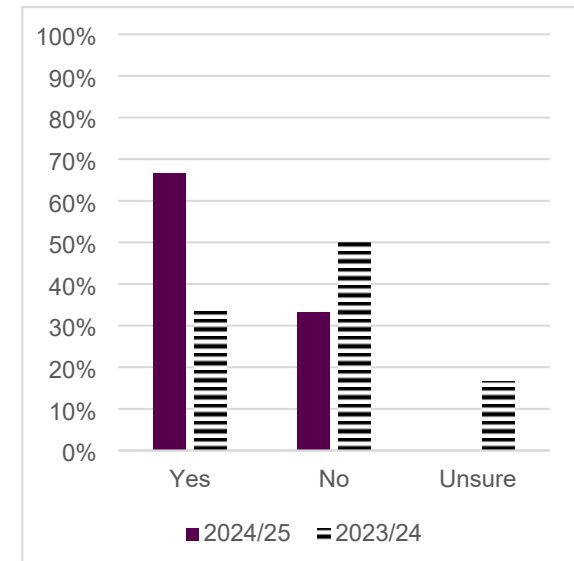
**Skills:**

Responses	2024/25	2023/24
Yes	67%	17%
No	33%	67%
Unsure	0%	17%
Total	100%	100%



**Training needs:**

Responses	2024/25	2023/24
Yes	67%	33%
No	33%	50%
Unsure	0%	17%
Total	100%	100%

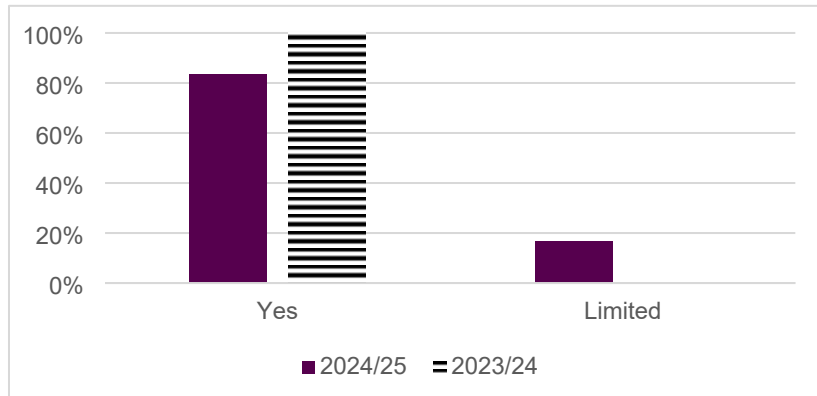




## Q7 Has useful and effective training and support been provided?

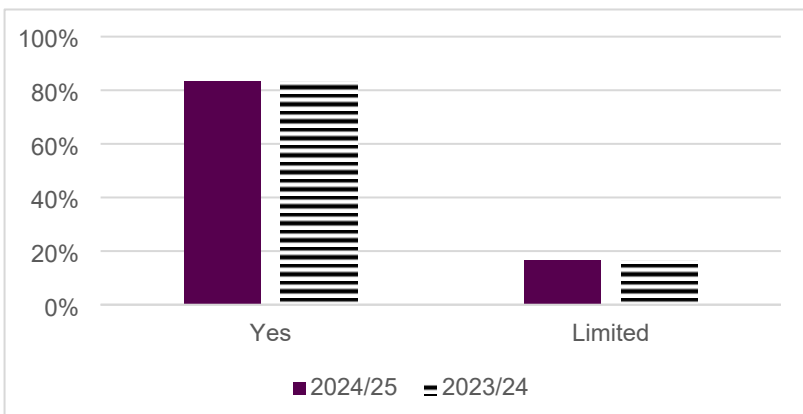
### Useful training:

Responses	2024/25	2023/24
Yes	83%	100%
Limited	17%	0%
Total	100%	100%



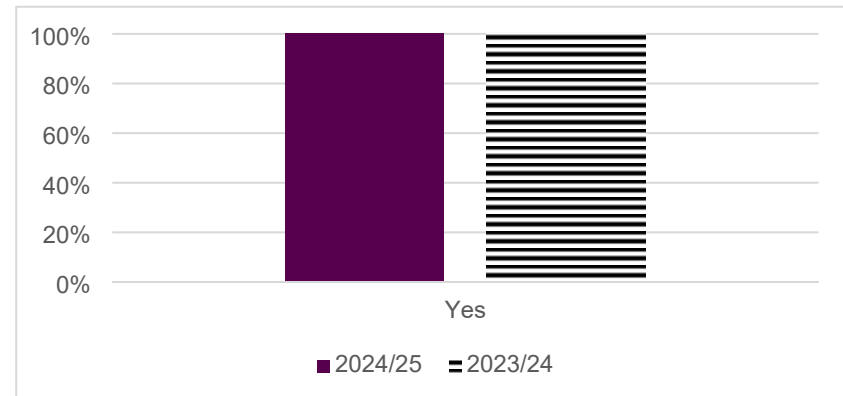
### Effective training:

Responses	2024/25	2023/24
Yes	83%	83%
Limited	17%	17%
Total	100%	100%



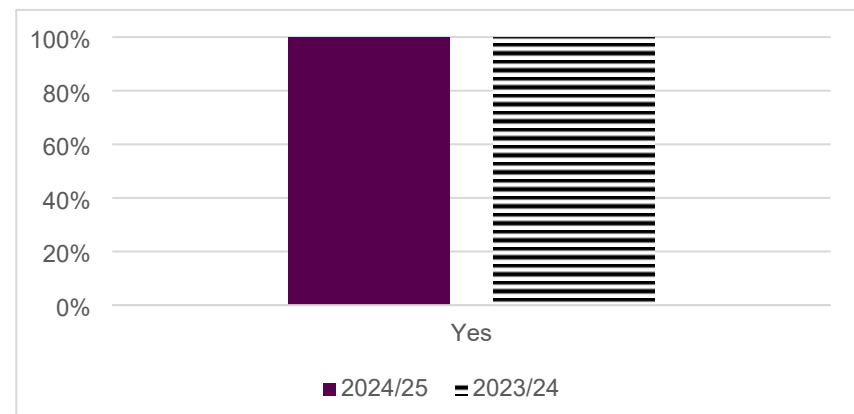
### Useful support:

Responses	2024/25	2023/24
Yes	100%	100%
Limited		
Total	100%	100%



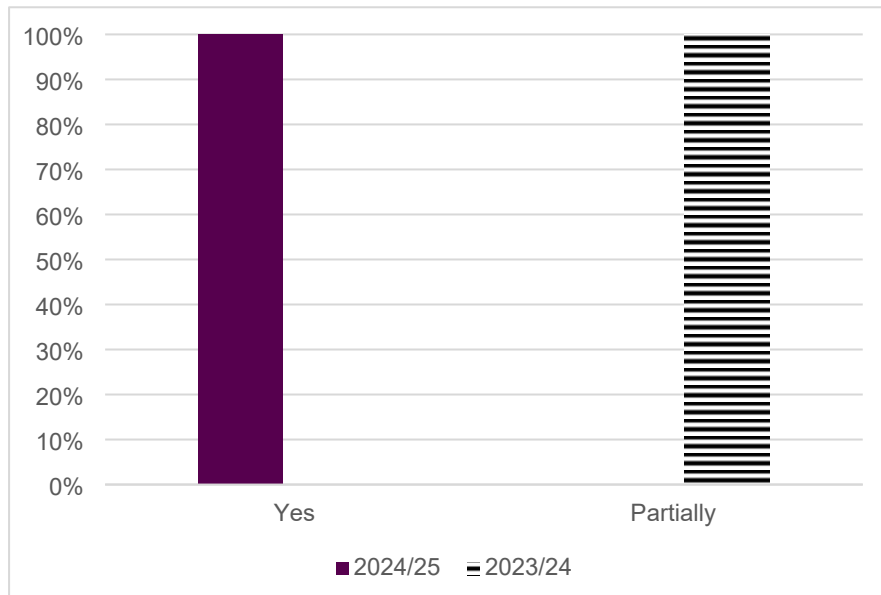
### Effective support:

Responses	2024/25	2023/24
Yes	100%	100%
Limited		
Total	100%	100%



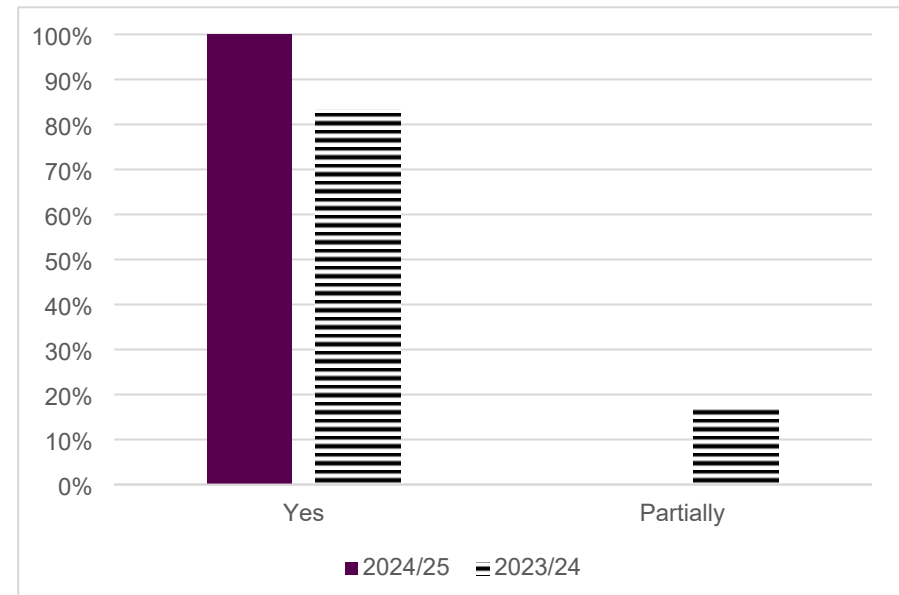
**Q8 Do you feel that there is an appropriate level of knowledge and skills on the committee?**

Responses	2024/25	2023/24
Yes	100%	0%
No	0%	0%
Partially	0%	100%
Total	100%	100%



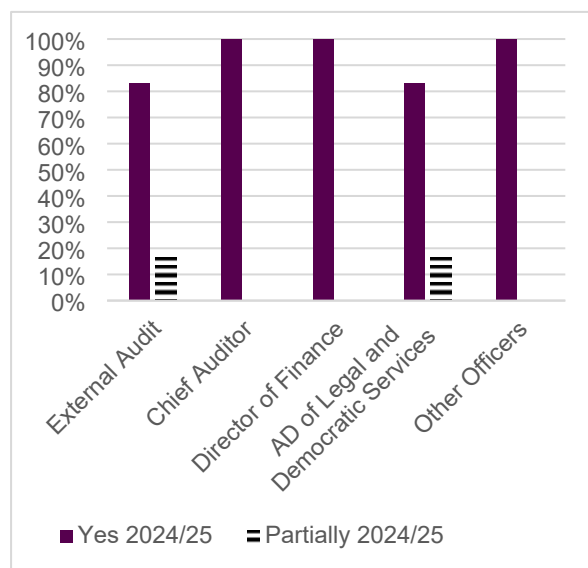
**Q9 Does the committee have adequate secretarial and administrative support?**

Responses	2024/25	2023/24
Yes	100%	83%
No	0%	0%
Partially	0%	17%
Total	100%	100%



**Q10 Do you think that the committee has good working relations with the key people detailed below (2024/25 only)?**

Area	Yes	Partially	Unsure
External Audit	83%	17%	0%
Chief Auditor	100%	0%	0%
Director of Finance	100%	0%	0%
AD of Legal and Democratic Services	83%	17%	0%
Other Officers	100%	0%	0%



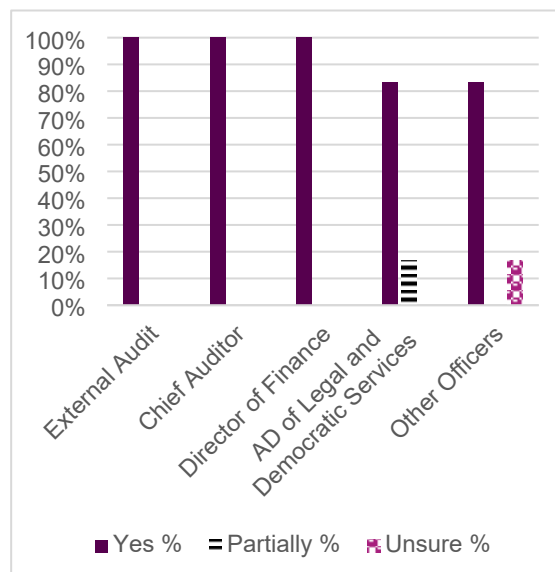
<sup>1</sup> Note for questions 10-12 there is no direct comparison available with the 2023/24 municipal year as this was asked as one question

**Other Officers:**

- Variety of Officers periodically attending the committee meetings

**Q11 Do you think that the committee has good access to the key people detailed below (2024/25 only)?**

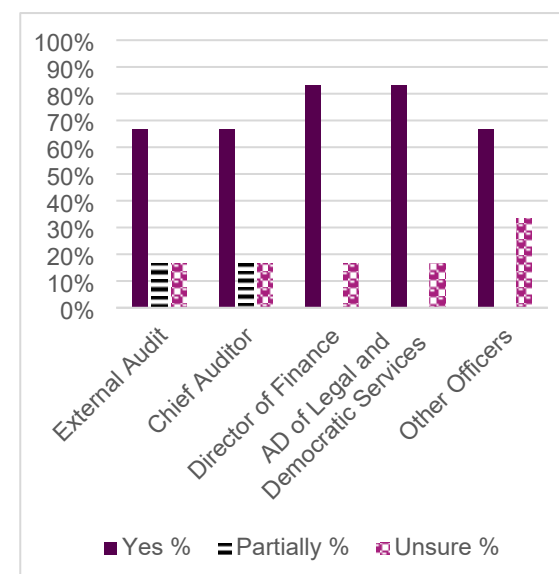
Area	Yes	Partially	Unsure
External Audit	100%	0%	0%
Chief Auditor	100%	0%	0%
Director of Finance	100%	0%	0%
AD of Legal and Democratic Services	83%	17%	0%
Other Officers	83%	0%	17%



- Risk Management Team and Director of Resources

**Q12 Do you think that the committee has good visibility with the key people detailed below (2024/25 only)?**

Area	Yes	Partially	Unsure
External Audit	67%	17%	17%
Chief Auditor	67%	17%	17%
Director of Finance	83%	0%	17%
AD of Legal and Democratic Services	83%	0%	17%
Other Officers	67%	0%	33%

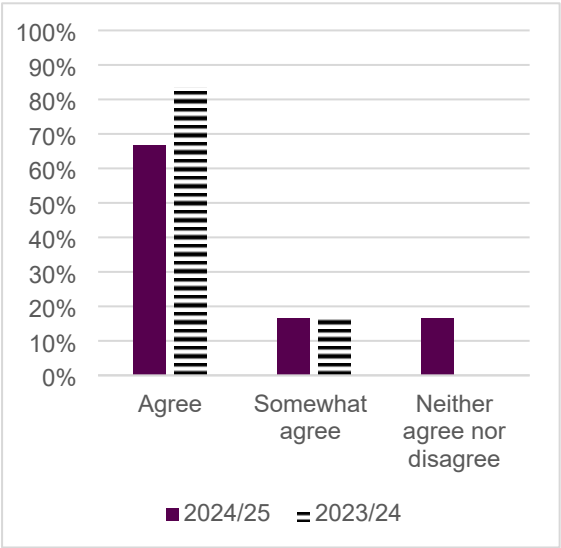


- Senior Education and Housing Officers

**Q13 Please rate the following in terms of meetings in the last year:**

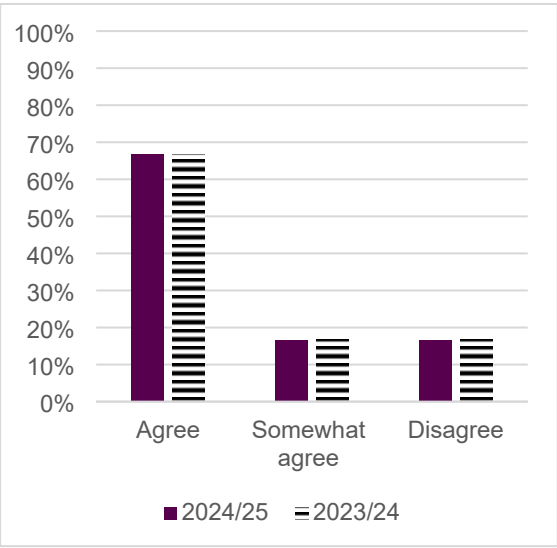
• The Committee is well chaired

Responses	2024/25	2023/24
Agree	67%	83%
Somewhat agree	17%	17%
Neither agree nor disagree	17%	0%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%



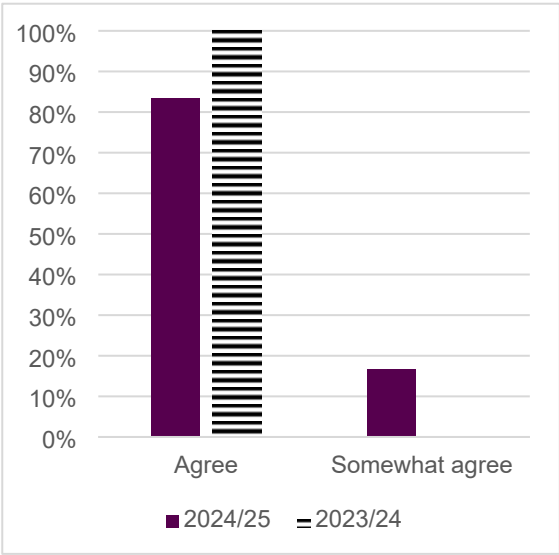
• The committee operates in an apolitical manner

Responses	2024/25	2023/24
Agree	67%	67%
Somewhat agree	17%	17%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Disagree	17%	17%
Total	100%	100%



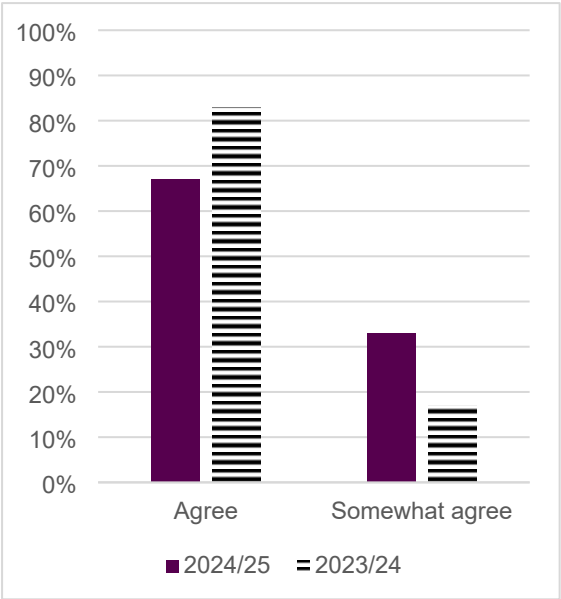
• Key agenda items are addressed

Responses	2024/25	2023/24
Agree	83%	100%
Somewhat agree	17%	0%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%

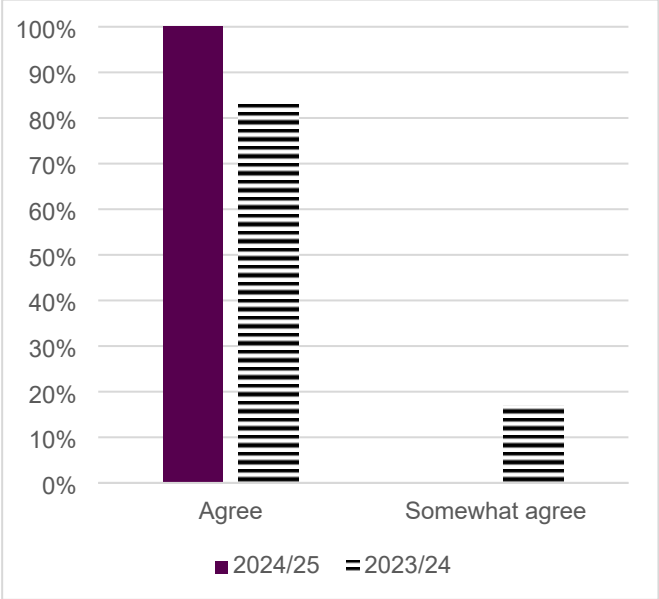


• There is a focus on improvement

Responses	2024/25	2023/24
Agree	67%	83%
Somewhat agree	33%	17%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%



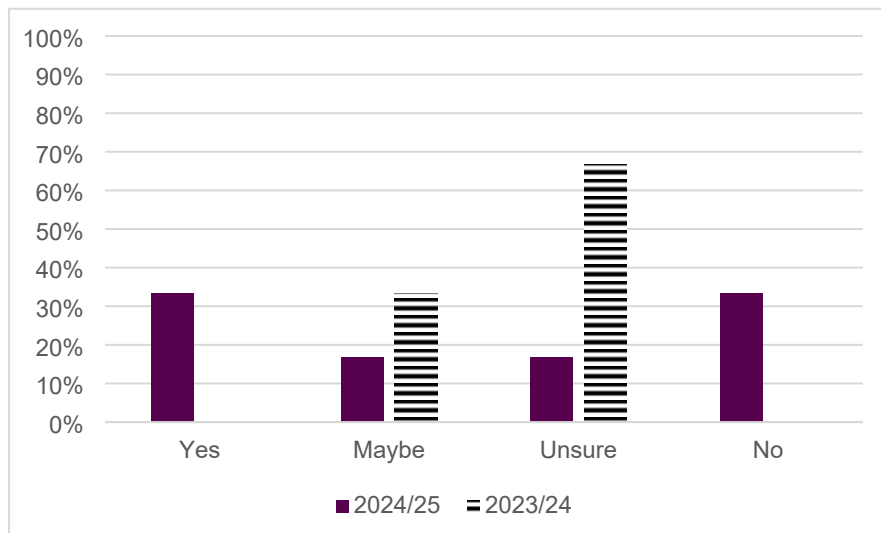
Responses	2024/25	2023/24
Agree	100%	83%
Somewhat agree	0%	17%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Disagree	0%	0%
Total	100%	100%



- All members are encouraged to engage in discussions

**Q14 Has the committee obtained feedback on its performance from those interacting with or relying on its work (for example, key officers, committees, etc)?**

Responses	2024/25	2023/24
Yes	33%	0%
Maybe	17%	33%
Unsure	17%	67%
No	33%	0%
Total	100%	100%

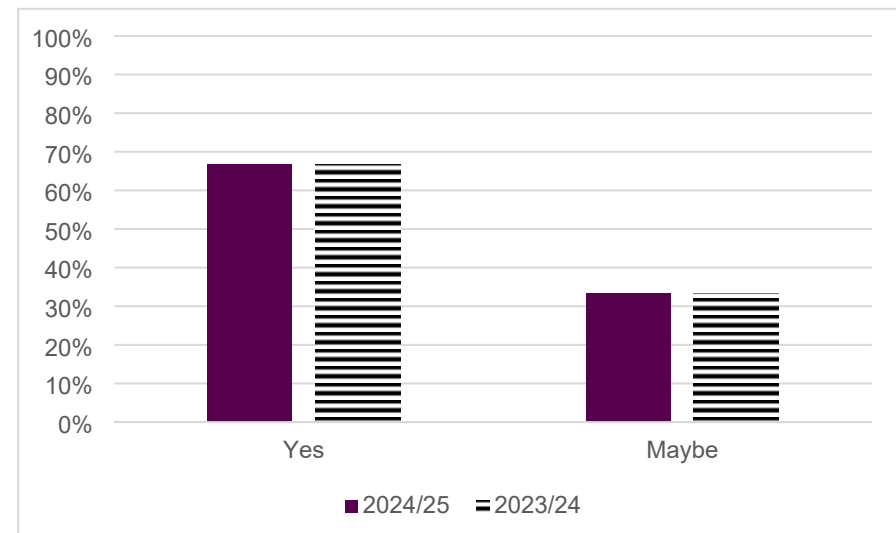


**Comments:**

- Not aware that feedback has been sought
- I have not been aware that this has taken place
- Informally

**Q15 Does the committee make recommendations for improving governance, risk, and control arrangements?**

Responses	2024/25	2023/24
Yes	67%	67%
Maybe	33%	33%
Unsure	0%	0%
No	0%	0%
Total	100%	100%

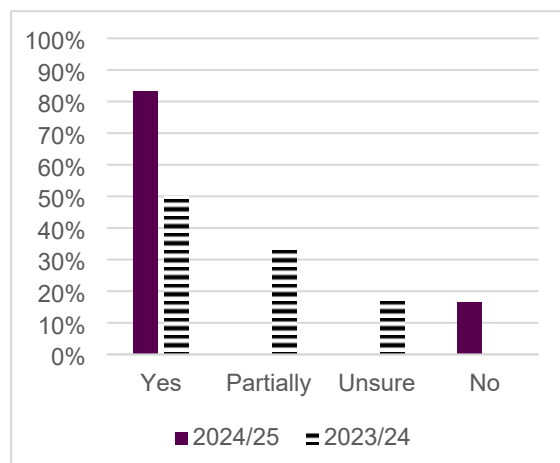


**Comments:**

- Recommendations are sometimes made
- It has the facility to do so, and so can and will if the occasion requires it, but relies on officer reports and usually notes and comments on recommendations made by officers
- Housing repairs
- Yes, we monitor our performance and liaise with officers

**Q16 Do Audit and Governance Committee recommendations have traction with those in leadership roles?**

Responses	2024/25	2023/24
Yes	83%	50%
Partially	0%	33%
Unsure	0%	17%
No	17%	0%
Total	100%	100%

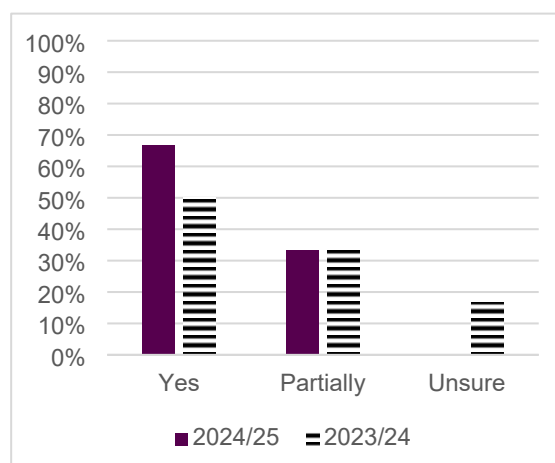


**Comments:**

- Recommendations are often dismissed, even if they came from external bodies like APSE.
- Committee recommendations and/or officer reports which have been discussed, noted, and recommendations commented on appear to have been acted on by officers, as evidenced by repeated returning reports and the Audit Tracker
- The leadership often attends meeting, as do relevant lead councillors.
- Housing repairs

**Q17 Do you think the Audit and Governance Committee is adding value?**

Responses	2024/25	2023/24
Yes	67%	50%
Partially	33%	33%
Unsure	0%	17%
No	0%	0%
Total	100%	100%

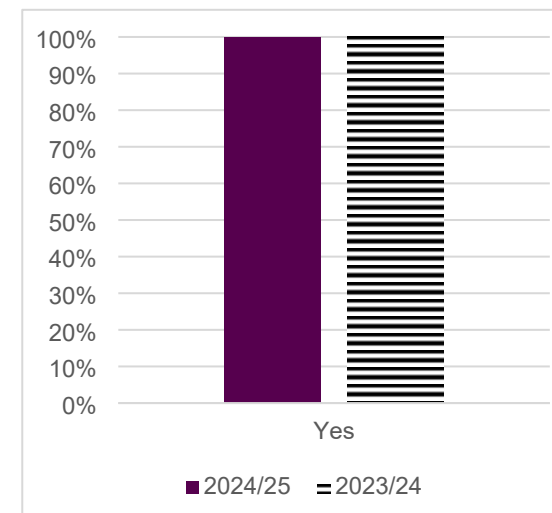


**Comments:**

- It adds a public forum for the discussion of Audit recommendations, with the hope that those recommendations will be carried out.
- The audit function highlights failures and keeps focus on processes of the council, e.g., FOI, Housing Repairs, Housing Fraud, etc.
- Senior officers attend and listen to the committee.
- We monitor key areas of the council's performance and make recommendations

**Q18 Does the committee engage with a wide range of leaders and managers, including discussing audit findings, risks, and action plans with responsible officers?**

Responses	2024/25	2023/24
Yes	100%	100%
Partially	0%	0%
Unsure	0%	0%
No	0%	0%
Total	100%	100%

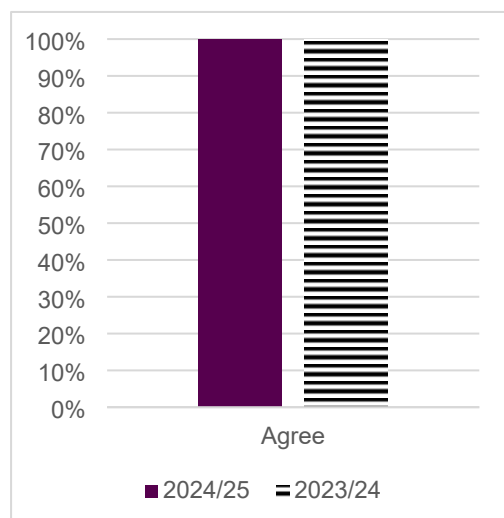


## Officers survey

A slightly different questionnaire was given to key Officers, consisting of 15 questions, plus some associated free-text options. A summary of the responses received is provided below and includes a comparison with responses from the previous year (2023/24), where questions were repeated.

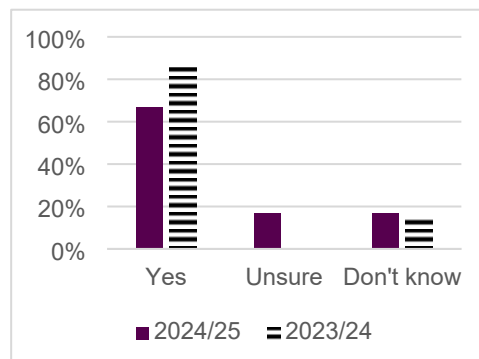
### Q1 I understand the role and purpose of the Audit and Governance Committee.

Response	2024/25	2023/24
Agree	100%	100%
Total	100%	100%



### Q2 Do you think that the Audit and Governance Committee (A&GC) escalates issues and concerns promptly to those in governance and leadership roles, i.e., Council and/or CMT?

Response	2024/25	2023/24
Yes	67%	86%
Maybe	0%	0%
Unsure	17%	0%
No	0%	0%
Don't know	17%	14%
Total	100%	100%

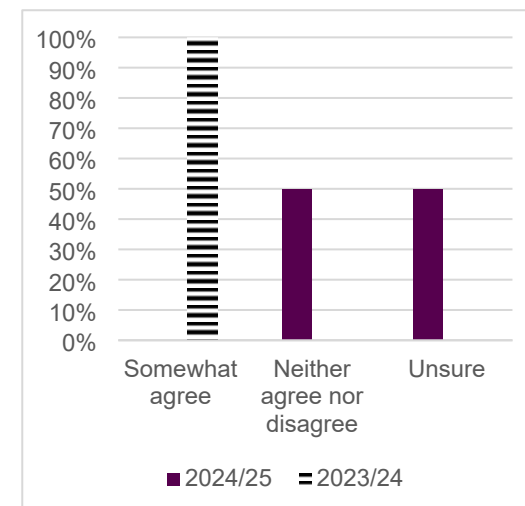


#### Comments:

- Do not see this interaction so cannot comment
- I'm unaware of any instances of the A&G Committee escalating concerns to Council, but there has certainly been issues escalated to A&G for monitoring and scrutiny, such as implementation of the TRO action plan.

### Q3 Where A&GC have escalated issues and/or made recommendations, they have been noted, consideration has been given to the appropriate action to take, and this has been implemented.

Response	2024/25	2023/24
Somewhat agree		100%
Neither agree nor disagree	50%	0%
Unsure	50%	0%
Total	100%	100%



#### Comments:

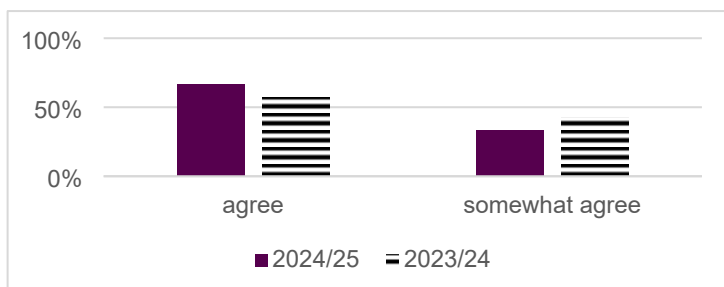
- No visibility of this step.
- I'm unaware of the A&G committee escalating issues; however, issues have come to them from Council, such as the TRO's.



#### Q4 Do you think that in the last year, the A&GC has given adequate consideration to all core areas listed below?

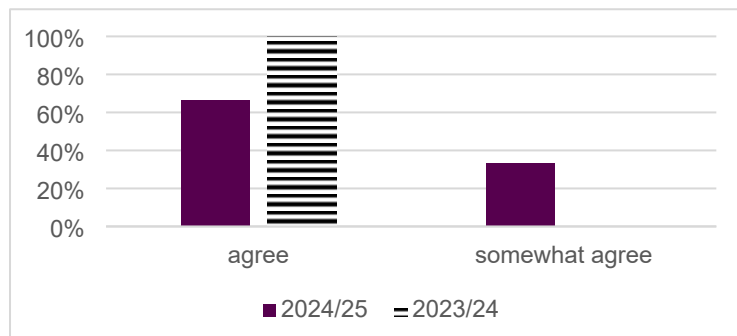
##### Governance arrangements:

Responses	2024/25	2023/24
Agree	67%	57%
Somewhat agree	33%	43%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Unsure	0%	0%
Total	100%	100%



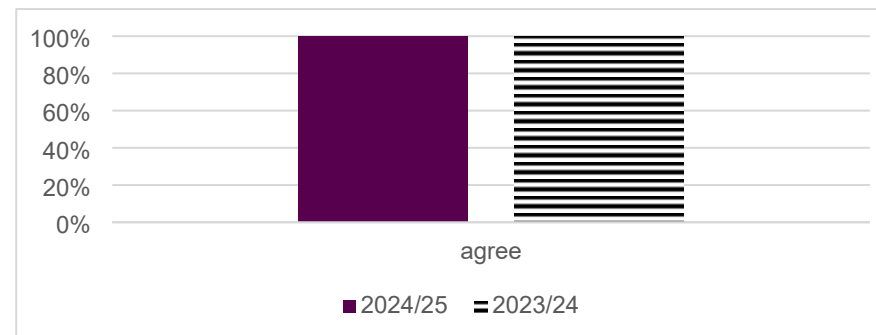
##### Risk management arrangements:

Responses	2024/25	2023/24
Agree	67%	100%
Somewhat agree	33%	0%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Unsure	0%	0%
Total	100%	100%



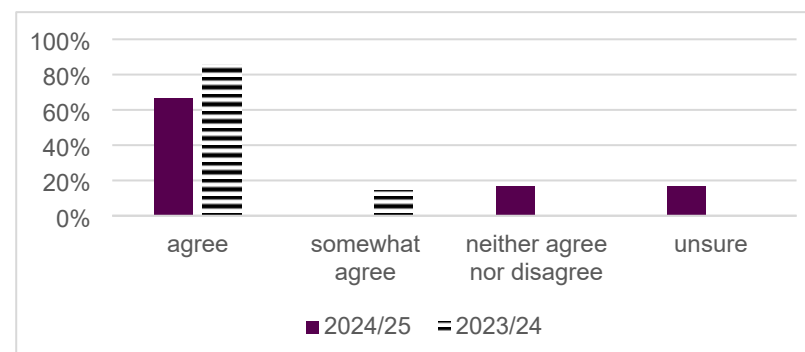
##### Internal control arrangements:

Area	2024/25	2023/24
Agree	100%	100%
Somewhat agree	0%	0%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Unsure	0%	0%
Total	100%	100%



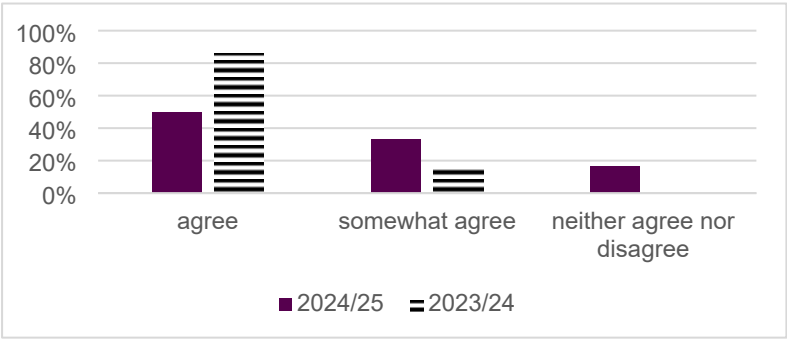
##### Annual Governance Statement:

Area	2024/25	2023/24
Agree	67%	86%
Somewhat agree	0%	14%
Neither agree nor disagree	17%	0%
Somewhat disagree	0%	0%
Unsure	17%	0%
Total	100%	100%



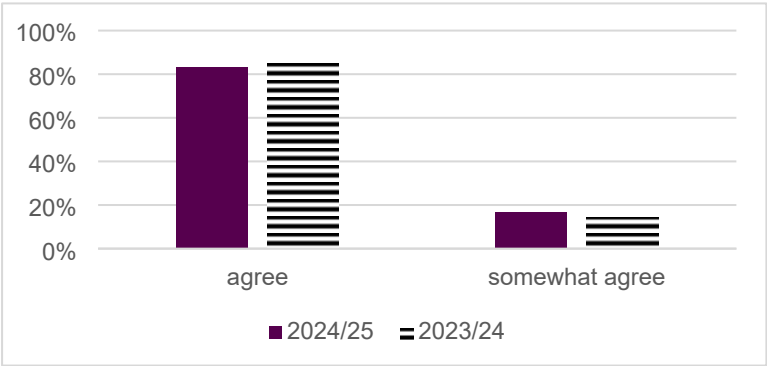
Financial Reporting:

Area	2024/25	2023/24
Agree	50%	86%
Somewhat agree	33%	14%
Neither agree nor disagree	17%	0%
Somewhat disagree	0%	0%
Unsure	0%	0%
Total	100%	100%



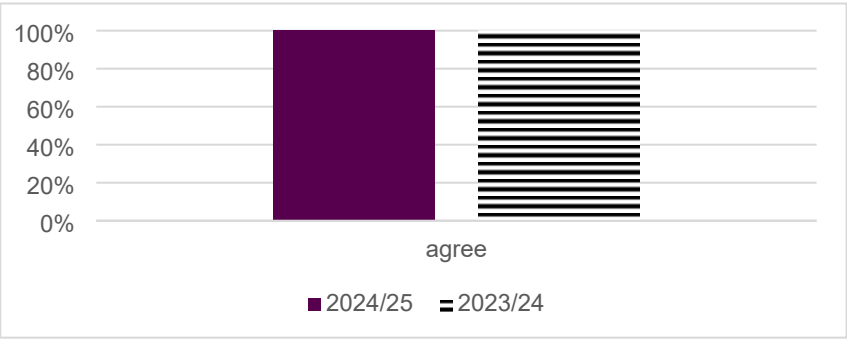
Assurance Framework:

Area	2024/25	2023/24
Agree	83%	86%
Somewhat agree	17%	14%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Unsure	0%	0%
Total	100%	100%



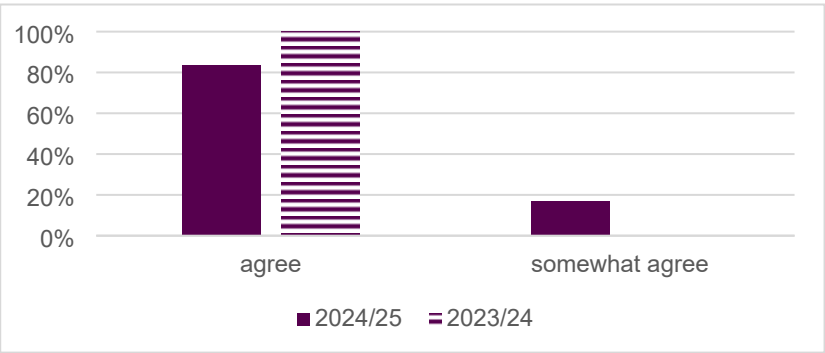
Internal Audit:

Area	2024/25	2023/24
Agree	100%	100%
Somewhat agree	0%	0%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Unsure	0%	0%
Total	100%	100%



External Audit:

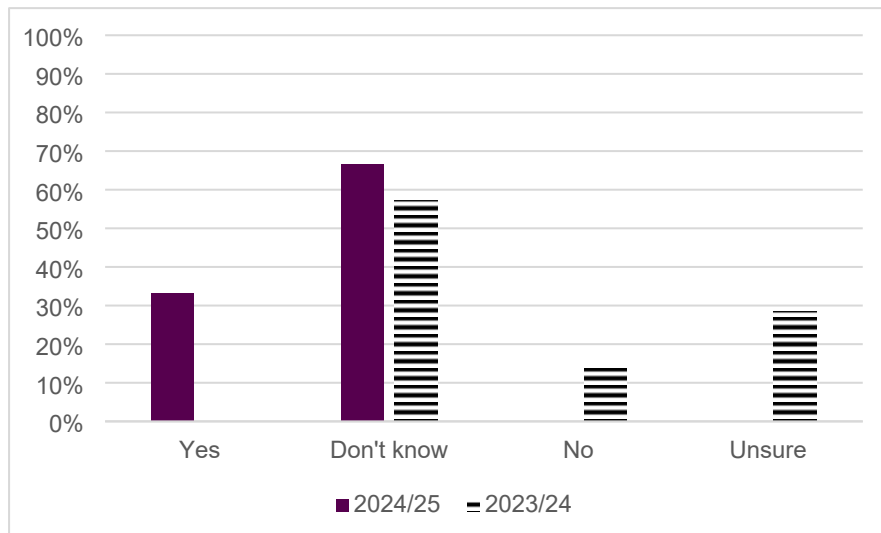
Area	2024/25	2023/24
Agree	83%	100%
Somewhat agree	17%	0%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Unsure	0%	0%
Total	100%	100%



**Q5 Are you aware if the committee has met privately with the External Auditors and Chief Auditor (Internal Audit) within the last year?**

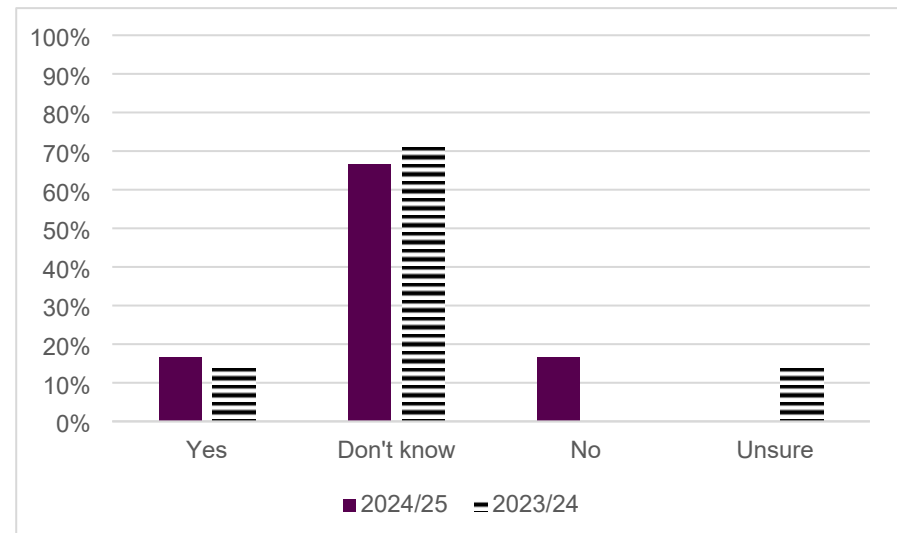
**External Audit:**

Response	2024/25	2023/24
Yes	33%	0%
Don't know	67%	57%
No	0%	14%
Unsure	0%	29%
Total	100%	100%



**Internal Audit:**

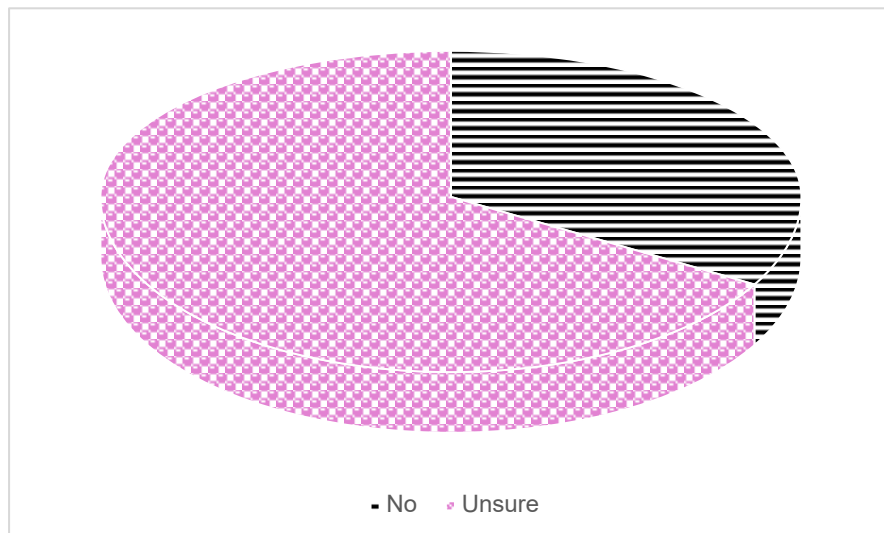
Response	2024/25	2023/24
Yes	17%	14%
Don't know	67%	71%
No	17%	0%
Unsure	0%	14%
Total	100%	100%



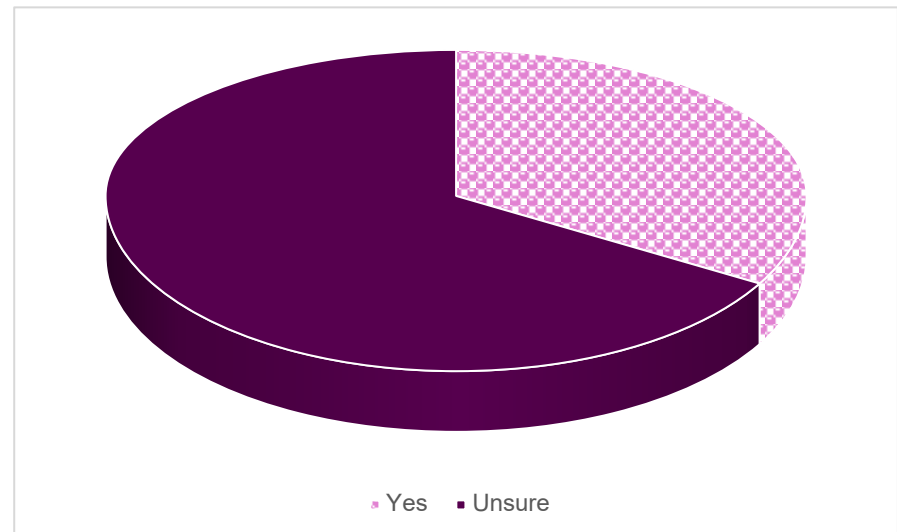
**Q6 Are you aware if the chair has met privately with the external auditors and Chief Auditor (Internal Audit) within the last year? (note this question was not asked last year)**

Response	External Audit 2024/25	Internal Audit 2024/25
Yes	0%	33%
No	33%	0%
Unsure	67%	67%
Total	100%	100%

**External Audit:**

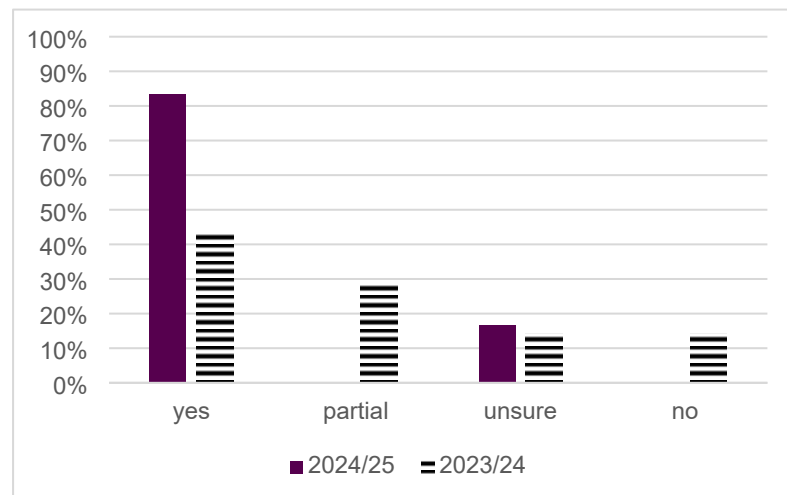


**Internal Audit:**



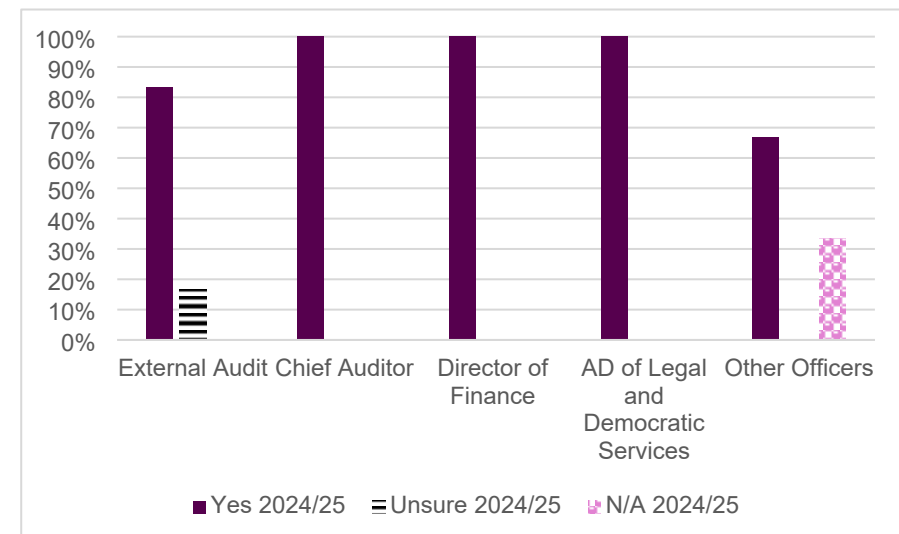
**Q7 Do you feel that there is an appropriate level of knowledge and skills on the committee?**

Response	2024/25	2023/24
Yes	83%	43%
Partial	0%	29%
Unsure	17%	14%
No	0%	14%
Other	0%	0%
Total	100%	100%



**Q8 Do you think that the committee has good working relations with the key people detailed below? NB 2023/24 had Qs 8, 9 and 10 all included in 1 question therefore no direct comparison able to be made.**

Area	Yes 2024/25	Partially 2024/25	Unsure 2024/25	N/A 2024/25	Total 2024/25
External Audit	83%	0%	17%	0%	100%
Chief Auditor	100%	0%	0%	0%	100%
Director of Finance	100%	0%	0%	0%	100%
AD of Legal and Democratic Services	100%	0%	0%	0%	100%
Other Officers	67%	0%	0%	33%	100%

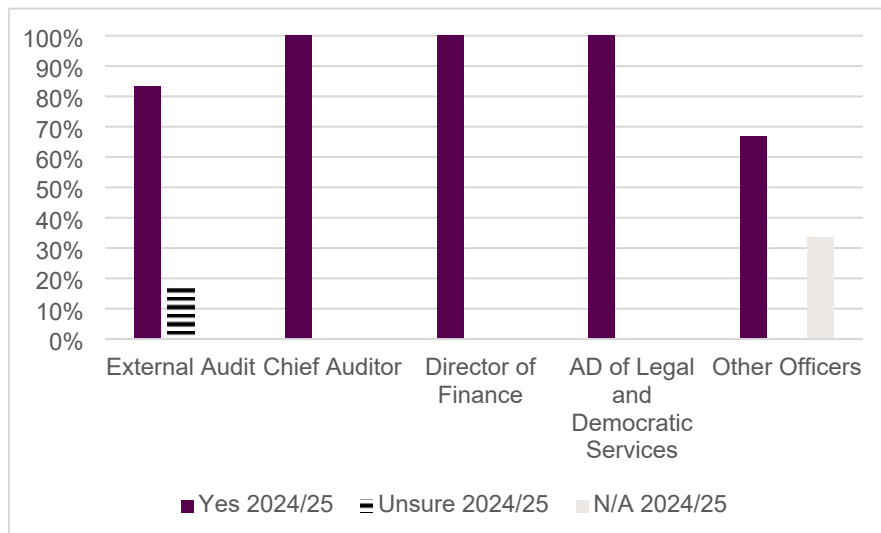


**Comments:**

- All other officers who present reports and attend A&G Committee
- Risk Management
- Executive Directors, Chief Executive

**Q9 Do you think that the committee has good access to the key people detailed below?**

Area	Yes 2024/25	Partially 2024/25	Unsure 2024/25	N/A 2024/25	Total 2024/25
External Audit	83%	0%	17%	0%	100%
Chief Auditor	100%	0%	0%	0%	100%
Director of Finance	100%	0%	0%	0%	100%
AD of Legal and Democratic Services	100%	0%	0%	0%	100%
Other Officers	67%	0%	0%	33%	100%

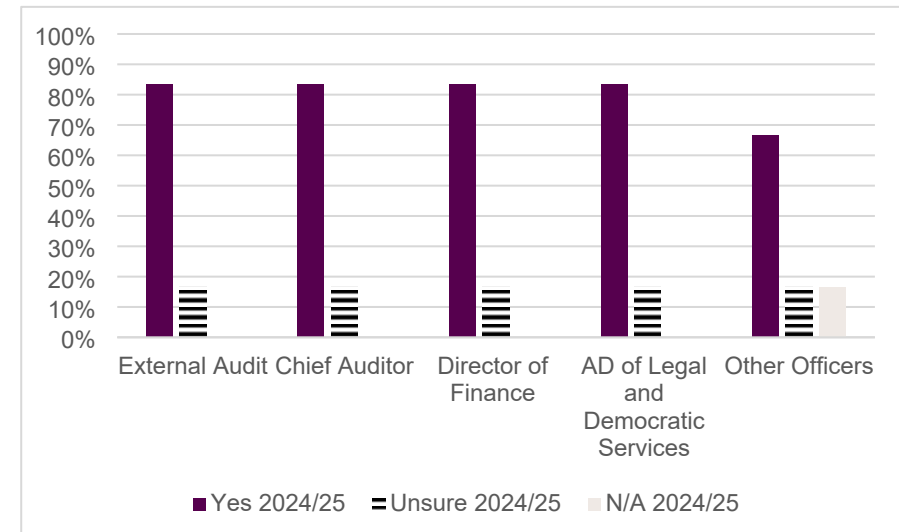


**Comments:**

- All other officers who present reports and attend A&G Committee
- Risk Management

**Q10 Do you think that the committee has good visibility with the key people detailed below?**

Area	Yes 2024/25	Partially 2024/25	Unsure 2024/25	N/A 2024/25	Total 2024/25
External Audit	83%	0%	17%	0%	100%
Chief Auditor	83%	0%	17%	0%	100%
Director of Finance	83%	0%	17%	0%	100%
AD of Legal and Democratic Services	83%	0%	17%	0%	100%
Other Officers	67%	0%	17%	17%	100%



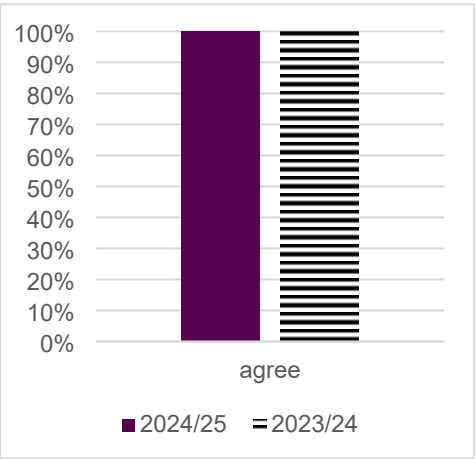
**Comments:**

- All other officers who present reports and attend A&G Committee
- Risk Management

Q11 Please rate the following in terms of the meetings in the last year:

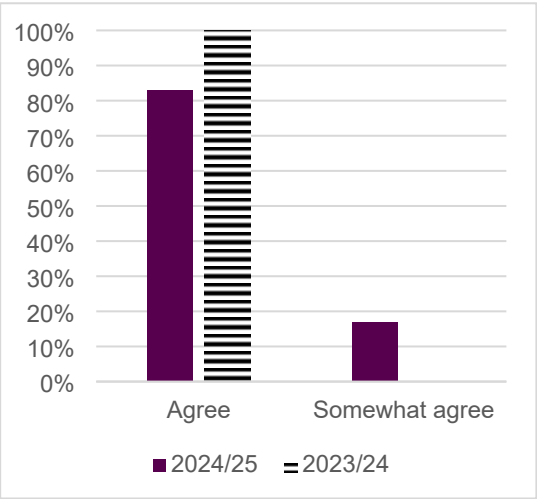
The Committee is well chaired

Responses	2024/25	2023/24
Agree	100%	100%
Somewhat agree	0%	0%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Unsure	0%	0%
Total	100%	100%



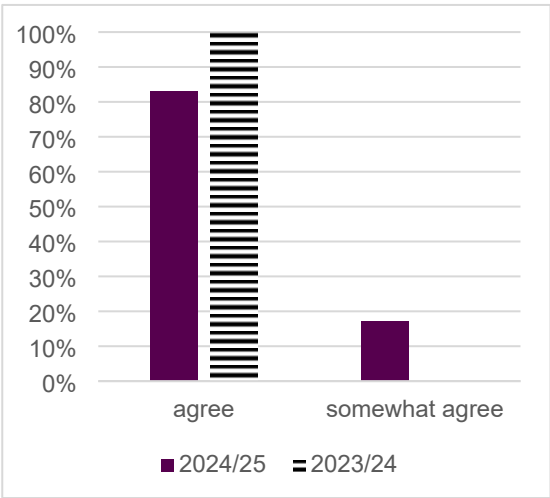
The committee operates in an apolitical manner

Responses	2024/25	2023/24
Agree	83%	100%
Somewhat agree	17%	0%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Unsure	0%	0%
Total	100%	100%



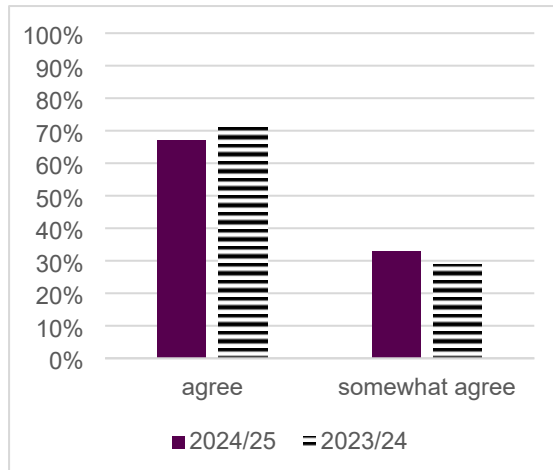
Key agenda items are addressed

Responses	2024/25	2023/24
Agree	83%	100%
Somewhat agree	17%	0%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Unsure	0%	0%
Total	100%	100%



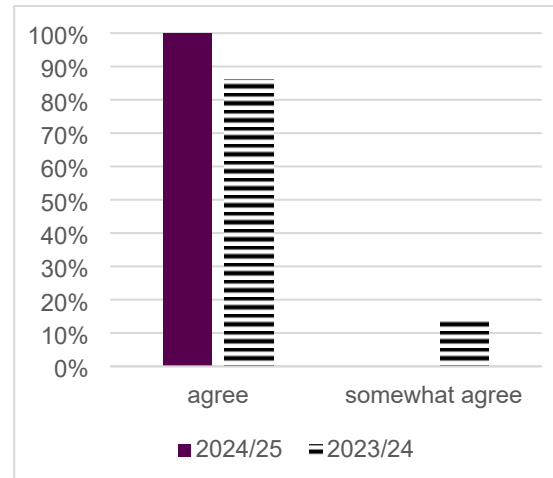
### There is a focus on improvement

Responses	2024/25	2023/24
Agree	67%	71%
Somewhat agree	33%	29%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Unsure	0%	0%
Total	100%	100%



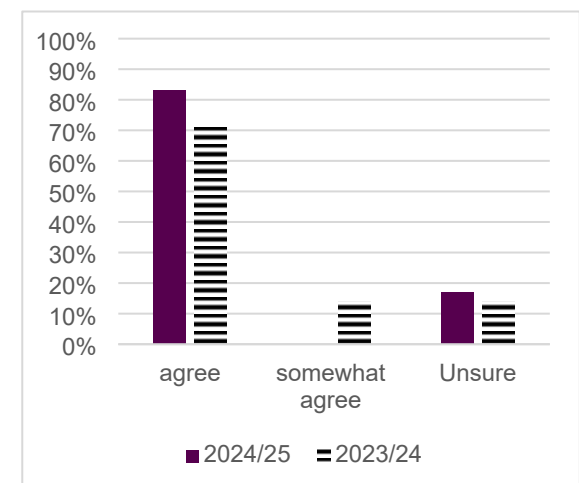
### All members are encouraged to engage in discussions

Responses	2024/25	2023/24
Agree	100%	86%
Somewhat agree	0%	14%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Unsure	0%	0%
Total	100%	100%



### There is regular dialogue with the Chair as to how the committee is working

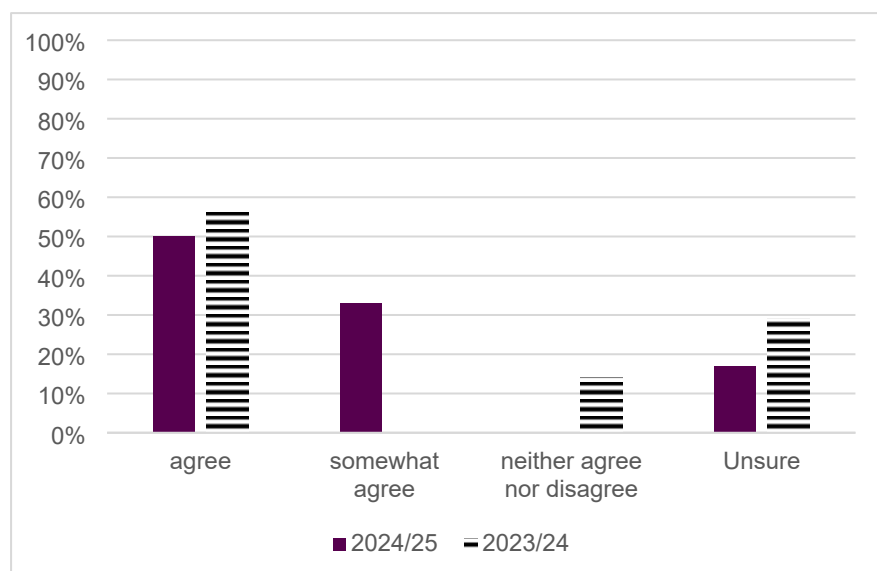
Responses	2024/25	2023/24
Agree	83%	71%
Somewhat agree	0%	14%
Neither agree nor disagree	0%	0%
Somewhat disagree	0%	0%
Unsure	17%	14%
Total	100%	100%





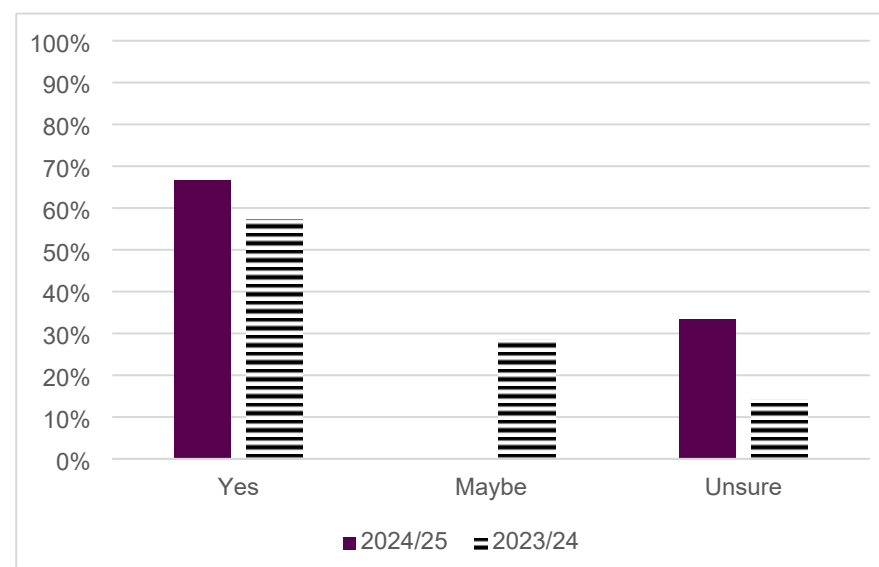
### Feedback is provided to the committee

Responses	2024/25	2023/24
Agree	50%	57%
Somewhat agree	33%	0%
Neither agree nor disagree	0%	14%
Somewhat disagree	0%	0%
Unsure	17%	29%
Total	100%	100%



### Q12 Does the committee make recommendations for improving governance, risk and control arrangements?

Responses	2024/25	2023/24
Yes	67%	57%
Maybe	0%	29%
Unsure	33%	14%
No	0%	0%
Total	100%	100%

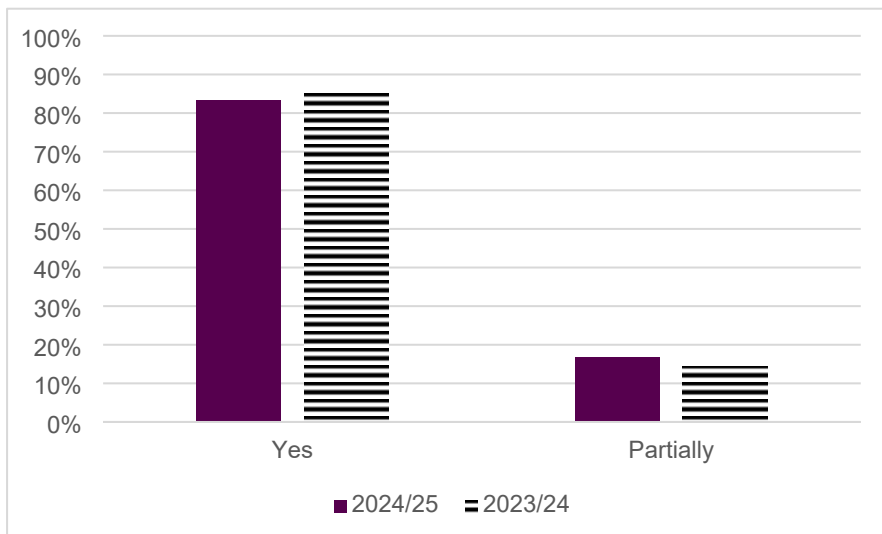


#### Comments:

- Challenge is offered and recommendations are made for progress reports to come back to the committee
- For risk management, the Committee has made a number of recommendations which have been progressed
- Good discussion re backstop arrangements and plans to get back on track in future with external audit.

**Q13 Do you think the Audit and Governance Committee is adding value?**

Responses	2024/25	2023/24
Yes	83%	86%
Partially	17%	14%
Unsure	0%	0%
No	0%	0%
Total	100%	100%



**Comments on how it is adding value:**

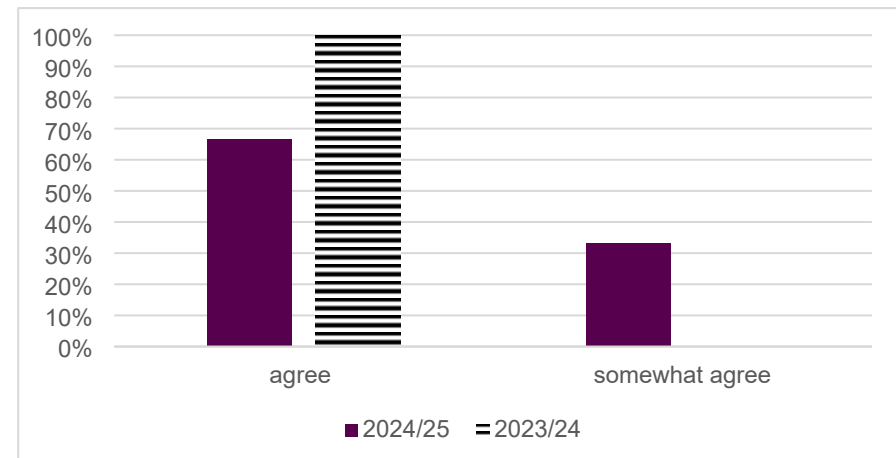
- The Committee adds a level of independent scrutiny, bringing in different skills and knowledge.
- The committee adds value by obtaining assurance that the Council has appropriate systems of internal control, governance and risk management processes in place.
- It is a necessary assurance function.

**Q14 What, if anything, do you think has changed as a result of the actions of the A&G Committee?**

- Improvements in the management of strategic risks
- More scrutiny and focus on improvement
- Officers face more challenge and scrutiny, especially if weaknesses are identified.
- Agreement to evolve how the audit tracker recommendations are reported (including frequency) which is more pragmatic and less repetitive.

**Q15 Responsible Officers attend A&GC meetings when appropriate to answer questions, advise on actions being taken to address areas of concern, and listen to comments and concerns of the committee on key matters such as the Annual Governance Statement, Annual Assurance Report**

Responses	2024/25	2023/24
Agree	67%	100%
Somewhat agree	33%	0%
Total	100%	100%



## Council

14 October 2025



**Reading**  
Borough Council  
Working better with you

<b>Title</b>	Constitution – Budget & Policy Framework Procedure Rules / Financial Regulations Amendment
<b>Purpose of the report</b>	To make a decision
<b>Report status</b>	Public report
<b>Executive Director/ Statutory Officer Commissioning Report</b>	Darren Carter, Director of Finance
<b>Report author</b>	Darren Carter, Director of Finance
<b>Lead Councillor</b>	Councillor Emberson, Lead Councillor for Corporate Services & Resources
<b>Council priority</b>	Not applicable, but still requires a decision
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. That Council adopts the revised Budget &amp; Policy Framework Procedure Rules, attached as Appendix 1;</li> <li>2. That Council adopts the revised Financial Regulations, attached as Appendix 2.</li> </ol>

### 1. Executive Summary

- 1.1. The Budget & Policy Framework Procedure Rules and the Financial Regulations have been reviewed and updated in order to bring these documents up to date and to simplify where possible to enable users to understand them more easily.
- 1.2. It is recommended that Council adopts the revised Budget & Policy Framework Procedure Rules (Appendix 1) and the revised Financial Regulations (Appendix 2).

### 2. Policy Context

#### *Budget & Policy Framework Procedure Rules*

- 2.1. Council is responsible for the adoption of the authority's budget framework, and for adopting the policy framework, comprised of the policies, plans and strategies set out in Part 3 of the Constitution.
- 2.2. Other policies, plans and strategies, and any successor documents may be adopted, approved, amended, modified, varied or revoked by the Committee to which the subject function has been delegated, or by the Policy Committee.
- 2.3. Once the budget, or a policy, plan or strategy is in place, it is the responsibility of the appropriate Committee to implement it and operate within it.

## *Financial Regulations*

- 2.4. The Financial Regulations set out the financial policies and procedures and the framework for managing the Council's financial affairs.

### **3. The Proposal**

- 3.1. The Budget & Policy Framework Procedure Rules and the Financial Regulations have been reviewed and updated in order to bring these documents up to date and to simplify where possible to enable users to understand them more easily.
- 3.2. The revised Budget & Policy Framework Procedure Rules are attached as Appendix 1 with the revised Financial Regulations attached as Appendix 2.

### **4. Contribution to Strategic Aims**

- 4.1. The Council Plan has established five priorities for the years 2025/28. These priorities are:
- Promote more equal communities in Reading
  - Secure Reading's economic and cultural success
  - Deliver a sustainable and healthy environment and reduce our carbon footprint
  - Safeguard and support the health and wellbeing of Reading's adults and children
  - Ensure Reading Borough Council is fit for the future
- 4.2. In delivering these priorities, we will be guided by the following set of principles:
- Putting residents first
  - Building on strong foundations
  - Recognising, respecting, and nurturing all our diverse communities
  - Involving, collaborating, and empowering residents
  - Being proudly ambitious for Reading
- 4.3. Full details of the Council Plan and the projects which will deliver these priorities are published on the Council's website - [Council plan - Reading Borough Council](#). These priorities and the Council Plan demonstrate how the Council meets its legal obligation to be efficient, effective and economical.
- 4.4. The Budget & Policy Framework Procedure Rules and the Financial Regulations set out the framework and regulations that the Council has adopted, which must be adhered to in terms of delivering Council services. Robust financial management is at the heart of Reading Borough Council's ability to achieve its objectives and to deliver high quality services to its local community. Effective management of council finances is critical to the long-term delivery of services to the people of Reading.

### **5. Environmental and Climate Implications**

- 5.1. The Council declared a Climate Emergency at its meeting on 26 February 2019.
- 5.2. There are no specific environmental and climate implications arising directly from this report.

### **6. Community Engagement**

- 6.1. No consultation, community engagement or information is required, or has been carried out voluntarily to help the report author consider the views of external stakeholder in preparing this report. It is not considered necessary.

## **7. Equality Implications**

7.1. There are no equality implications arising directly from this report.

## **8. Other Relevant Considerations**

8.1. There are none.

## **9. Legal Implications**

9.1. There are no legal implications arising directly from this report.

## **10. Financial Implications**

10.1. There are no financial implications arising directly from this report.

## **11. Timetable for Implementation**

11.1. Not applicable.

## **12. Background Papers**

12.1. There are none.

## **Appendices**

- 1. Budget & Policy Framework Procedure Rules**
- 2. Financial Regulations**

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# Budget and Policy Framework Procedure Rules

## **1. THE FRAMEWORK FOR DECISIONS**

- 1.1 Council is responsible for the adoption of the authority's budget framework, and for adopting the policy framework, comprised of the policies, plans and strategies set out in Part 3 of the Constitution.
- 1.2 Other policies, plans and strategies, and any successor documents may be adopted, approved, amended, modified, varied or revoked by the Committee to which the subject function has been delegated, or by the Policy Committee.
- 1.3 Once the budget, or a policy, plan or strategy is in place, it is the responsibility of the appropriate Committee to implement it and operate within it.

## **2. PROCESS FOR DEVELOPING THE BUDGET AND POLICY FRAMEWORK**

- 2.1 When developing the initial proposals for the adoption of any budget or policy, plan or strategy within the policy framework, the Council will consider whether to undertake public consultation. Details of the consultation will be published online, usually through the Council's consultation platform. The lead officer will ensure that all Members are notified of the consultation.
- 2.2 At the end of the consultation period, the Committee will then draw up draft proposals for submission to Council, showing due consideration to the responses of consultees and the Committee's response. Once the Committee has approved the draft proposals, they will be referred at the earliest opportunity to Council for decision.
- 2.3 Council will consider the proposals and may adopt them, amend them, substitute alternative proposals in their place or refer them back to the Committee that submitted them for further consideration. Any amendment to the proposed budget must be certified by the Chief Financial Officer at least 5 working days prior to the relevant Council meeting as being reasonably calculated and sufficiently deliverable as to be robust and sustainable in the medium term.
- 2.4 If Council accepts the Committee's proposals with or without amendment the decision shall be effective immediately.
- 2.5 If Council rejects the Committee's proposals, a summary of Council's objections will be provided to the Committee, and they will be required to reconsider the proposals.
- 2.6 The Committee will have 5 clear working days from receipt of the notification to submit revised proposals or inform Council of their disagreement with the objections and resubmit the previous proposals. This must be accompanied by a written notice, stating the reasons for the revised proposals and/or the disagreement. Where such notice is received, a further meeting of Council to reconsider its decision will be convened.
- 2.7 The Council meeting must take place within 10 working days of the receipt of the Committee's written notice unless the Head of Paid Service and Monitoring Officer agree that the matter can wait until the next programmed Council meeting. Where the proposal is required by law to be formally agreed by a certain date, the Council meeting must take place prior to this deadline. At that Council meeting the decision of Council shall be reconsidered in the light of any revised proposals and/or the Committee's disagreement and the reasons behind them, which shall be available in writing to Council.

- 2.8 Council shall at that meeting make its final decision on the matter on the basis of a simple majority. The decision shall be made public and shall be implemented immediately.

### **3. DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK**

- 3.1 Subject to the provisions of paragraph 5 (Virement), Committees, Sub-Committees, officers, or joint arrangements discharging delegated functions may only take decisions which are in line with the Council's budget and policy framework. If any of these bodies or persons wishes to make a decision which is contrary to the policy framework, or contrary to or not wholly in accordance with the budget approved by Council, then that decision may only be taken by Council, subject to paragraph 4 (urgent decisions outside the budget framework) below.
- 3.2 In the following circumstances, advice should be taken from the Head of Paid Service, the Monitoring Officer, and the Chief Financial Officer:
- (a) A Committee, Sub-Committee, officer, or joint arrangement discharging delegated functions wants to take a decision they think may be outside of the budget or policy framework; or
  - (b) Three or more Members submit a question to the Monitoring Officer, in writing, suggesting that a decision to be taken by a Committee, Sub-Committee, officer, or joint arrangement discharging delegated functions may be contrary to the budget or policy framework.
- 3.3 If the advice of any of those officers is that the decision would be contrary to, or not wholly in accordance with, the existing budget or policy framework, then this advice should be set out in writing and the decision must be referred by that body or person to Council for consideration and decision, unless the decision is a matter of urgency, in which case the provisions in paragraph 4 shall apply.

### **4. URGENT DECISIONS OUTSIDE THE BUDGET OR POLICY FRAMEWORK**

- 4.1 The Policy Committee may take a decision which is contrary to the policy framework or contrary to or not wholly in accordance with the budget approved by Council if the decision is a matter of urgency, under the urgency provisions set out in Article 7.7. However, the decision may only be taken:
- a) If it is not practical to convene a quorate meeting of Council; and
  - b) If the chair of the Policy Committee agrees that the decision is a matter of urgency.
- 4.2 The reasons why it is not practical to convene a quorate meeting of Council, and the Chair of the Policy Committee's consent to the decision being taken as a matter of urgency, must be noted on the record of the decision. In the absence of the Chair, the consent of the Vice-Chair, will be sufficient.
- 4.3 Following the decision, the Head of Paid Service on behalf of the Policy Committee, will provide a report to the next available Council meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

### **5. VIREMENT**

- 5.1 Arrangements for budget virement will be in accordance with the provisions of the Council's Financial Regulations as set out in Part 4 of the Constitution.



**6. IN-YEAR CHANGES TO THE POLICY FRAMEWORK**

- 6.1 No changes may be made to any plan, policy or strategy which makes up the Policy Framework, as set out in Part 3 of the Constitution, within the statutory or regulatory timetable for consulting on and adopting or updating such documents, except where the change:
- (a) Will result in the closure or discontinuance of a service or part of service to meet a budgetary constraint;
  - (b) Is necessary to ensure compliance with the law, ministerial direction or government guidance; or
  - (c) The existing policy document is silent on the matter under consideration.

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# Financial Regulations

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Approved by	Council
Author	Director of Finance
Service	Finance
Directorate	Directorate of Resources



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## 1.1 Context

These Financial Regulations set out the financial policies and procedures and the framework for managing the Council's financial affairs. Robust financial management is at the heart of Reading Borough Council's ability to achieve its objectives and to deliver high quality services to its local community. Effective management of council finances is critical to the long-term delivery of services to the people of Reading.

These Financial Regulations apply to all financial activities of Reading Borough Council including the General Fund and Housing Revenue Account, unless otherwise stated.

The Best Value Duty as set out in the Local Government Act 1999, requires local authorities and other public bodies to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". In practice, this covers issues such as how authorities exercise their functions to deliver a balanced budget, provide statutory services, including adult social care and children's services, and secure value for money in all spending decisions.

These Financial Regulations are structured around the following themes:

- (i) Financial planning (see Section 2)
- (ii) Financial management (see Section 3)
- (iii) Accounting records and financial systems (see Section 4)
- (iv) Risk management and internal control (see Section 5)
- (v) Assets (see Section 6)
- (vi) Income and expenditure (see Section 7)
- (vii) External arrangements (see Section 8)

## 1.2 The Principles of Good Financial Management

These Financial Regulations are based on the following principles of good financial management:

1. All officers and members of Reading Borough Council have a role to play in managing our finances, delivering value for money and demonstrating the highest standards of probity in the use of public money.
2. Budget responsibility is allocated by Reading Borough Council to specific, named individuals who are accountable for the effective financial management of their services within the budgets that have been allocated to them.
3. The annual budget process is driven by a medium-term financial strategy that assesses risk and is built on a detailed understanding of income and expenditure across the period of that Plan.
4. The Council's core financial systems hold high quality, comprehensive, up to date and reliable financial information.
5. Financial monitoring reports are presented regularly through Corporate Management Team and Policy Committee using consistent, meaningful and understandable data, with appropriate action being taken.
6. Any report for decision presented to committee, must have the financial implications specified and have been approved in advance by the Chief Finance Officer.
7. Effective internal financial controls are in place and must be adhered to at all times.

It is not possible for these Financial Regulations to anticipate all eventualities. Consequently, if any doubt arises as to whether or how these Regulations should be applied, reference should be made to these principles of good financial management, to establish whether any proposed financial undertaking is within the spirit of these Regulations.

A financial undertaking that conflicts with one or more of these principles will not be acceptable practice even if it is not ruled out explicitly by these Regulations.

## 1.3 Financial Roles and Responsibilities

The specific financial roles and responsibilities of Officers, Councillors, Council and Committees are set out in these Regulations. Further information about these responsibilities can be found elsewhere in the Constitution as follows:

- Council (Article 4)
- Councillors (Article 6 - The Leadership and Part 3 - Responsibility for Functions - Lead Councillor Portfolios)
- Policy Committee (Article 7 - Committees)
- Audit & Governance Committee (Article 8 - Regulatory & Other Committees)
- Officers (Article 12)

#### **1.4 Compliance**

All financial and accounting procedures must be carried out in accordance with the Financial Regulations and with any accounting instruction notes and other corporate guidance issued by, or on behalf of, the Chief Finance Officer.

Executive Directors/Assistant Directors will ensure that their staff are aware of the existence, and content, of the Council's Financial Regulations, accounting instruction notes and other corporate guidance and ensure compliance with them. Executive Directors/Assistant Directors may delegate responsibilities contained in these Regulations to named budget holders, as appropriate, in consultation with the Chief Finance Officer.

Non-compliance with these Financial Regulations, and with any accounting instruction notes and other corporate guidance issued by the Chief Finance Officer, may constitute a disciplinary matter that will be pursued, as appropriate, in accordance with the Council's disciplinary procedure.

## **Section 2 - Financial Planning**

### **2.1 Budget Framework**

Council is responsible for agreeing the Authority's budget framework (revenue and capital), for the General Fund (GF) and the Housing Revenue Account (HRA), which will be proposed to it by the Policy Committee. In terms of financial planning, the key elements are:

- (i) The Annual Revenue Budget (GF & HRA), Medium-Term Financial Strategy and HRA 30 Year Business Plan
- (ii) The Annual Council Tax Setting Report
- (iii) The Capital Strategy
- (iv) The Treasury Management Strategy Statement

### **2.2 The Annual Revenue Budget**

#### **2.2.1 Revenue Income and Expenditure**

Revenue income and expenditure represents the current or day-to-day running costs, and associated receipts, of the Council, including employment costs, premises costs, transport costs, contract costs and general running costs as well as income raised by charging service users and government grants.

#### **2.2.2 Revenue Budget**

The annual budget is a plan that forecasts income and expenditure for the following year and is the financial expression of the Council's policies and priorities for that year.

Councils are required to set their annual budget before 11 March in the financial year preceding the one in respect of which the budget relates. In setting the annual budget, Council must take account of a report by the Chief Finance Officer on the following matters:

- The robustness of the estimates made for the purposes of the calculations, and
- The adequacy of the proposed financial reserves.

Stakeholder consultation can help to set priorities and reduce the possibility of legal or political challenge during the process.

### **2.2.3 Budget Preparation**

The Chief Finance Officer is responsible for ensuring that a revenue budget is prepared on an annual basis and includes a three-year Medium-Term Financial Strategy for consideration by the Policy Committee, before submission to Council. Council may amend the budget or ask the Policy Committee to reconsider it before approving it.

The Chief Finance Officer, through the Policy Committee, is responsible for issuing budget guidelines on the general development of the budget each year. This will include an evidence-based assessment of the likely level of resources available to the Council in order to establish an overall budget envelope for the net cost of Council services that are affordable.

It is the responsibility of Executive Directors/Assistant Directors, in conjunction with the Chief Finance Officer, to ensure that budget estimates reflecting agreed corporate and service priorities are submitted to the Policy Committee and that these estimates are prepared in line with guidance issued by the Chief Finance Officer. These Plans will need to adequately reflect the impact of any inflationary and/or demographic pressures. Budget proposals will need to fit within the available resources. Any changes to the nature or levels of service provided must be supported by a business case which fully explains both the service and financial impact.

### **2.2.4 Format of the Budget**

The format of the budget presented to Policy Committee and Council for approval, will be set out by the Chief Finance Officer each year. The budget will be prepared and presented on an incremental basis. The budget will reflect the service structure operated by the Council at its time of preparation.

### **2.2.5 Budget Monitoring and Control**

The Chief Finance Officer is responsible for providing appropriate financial information to budget holders to enable budgets to be monitored effectively. Budget holders must monitor and control expenditure against budget allocations. The Chief Finance Officer will report to the Policy Committee on the overall position on a regular basis.

It is the responsibility of Executive Directors/Assistant Directors to control income and expenditure within their area and to monitor performance, taking account of financial information provided by the Chief Finance Officer. They must submit monthly monitoring reports to the Chief Finance Officer on existing and expected variances within their own areas. They must also take any action necessary to avoid exceeding their overall budget allocation and alert the Chief Finance Officer to any issues. These responsibilities may be formally delegated to Budget Holders through the scheme of delegation.

### **2.2.6 Maintenance of Reserves**

Reserves are created as a means of building up funds to meet potential future liabilities. They are held for a number of reasons, including:

- A working balance to act as a final contingency for unanticipated fluctuations in spending and income.
- Earmarked reserves to cover specific areas of risk.

Councils are required to maintain a minimum level of reserves and balances, although legislation does not define how much this minimum level should be.

As part of the Annual Budget Setting Report to Policy Committee and Council, the Chief Finance Officer is required to give advice on the minimum level of working balance to be held by the Council throughout the forthcoming year.

In setting the Budget, Council must have regard to the advice given by the Chief Finance Officer, with the reasons for any variance from the advice given being recorded in the minutes of the Council

Meeting.

The Chief Finance Officer is responsible for:

- (a) Creating, managing, and making additions to, or making use of, Reserves in accordance with the following objectives:
  - Optimising the Council's overall financial position by creating a degree of financial flexibility over the year or between years.
  - Maintaining contingencies against unbudgeted expenditure or unexpected events.
  - Enabling funding of known or predicted liabilities falling in the year or future years.
- (b) Approving any proposals for creating and using provisions or reserves.
- (c) Reporting on the adequacy of provisions and reserves when the Budget is presented to Council for approval.

## **2.3 Capital Financial Planning**

### **2.3.1 Capital Expenditure**

Expenditure is classified as capital expenditure when any of the following apply:

- The expenditure results in the acquisition, construction or the enhancement of non-current (i.e. fixed) assets, tangible and intangible, where the asset is expected to be used during more than one financial year.
- The expenditure results in the acquisition, construction or the enhancement of a fixed asset, in which the local authority has no future direct control or benefit from the resultant asset, which would be capital expenditure if the local authority had an interest in that fixed asset. (Revenue expenditure funded by capital under statute).
- The Secretary of State makes a direction that the expenditure can be treated as capital expenditure instead of revenue. These directions are only issued in exceptional circumstances.

### **2.3.2 Capital Programme**

The Chief Finance Officer is responsible for ensuring that a Capital Programme is prepared on an annual basis for consideration by the Policy Committee before submission to the Council.

Capital bids for new or amended schemes are submitted as part of the Council's annual budget review process. Business cases are quality assured by the Capital Programme Board prior to being recommended to members for inclusion in the Draft Capital Programme.

The overall affordability of the Draft Capital Programme is reported on by the Chief Finance Officer as part of the Council's budget setting process. The final Capital Programme is agreed by Council when setting its budget in February.

All schemes included in the approved Capital Programme over £2.5m require spend approval from the responsible Committee or the Council, with the exception of expenditure on rolling programmes of routine capital expenditure. All schemes included in the Capital Programme require confirmation from the Chief Finance Officer that the associated funding has been identified.

Schemes that arise during the year will be added to the agreed Programme once the relevant approvals have been obtained from Policy Committee or Council, in consultation with the Chief Finance Officer and Monitoring Officer.

Budget holders and capital project managers are required to provide financial forecasts to the Chief Finance Officer for inclusion in the financial monitoring reports to the Policy Committee.

### **2.3.3 Financing of Capital Expenditure**

The Chief Finance Officer will determine the financing of the capital programme, taking into consideration the availability of capital receipts, grants and contributions, direct revenue contributions and the affordability of borrowing.

#### **2.4 Leasing and Rental Arrangements**

Leases of land or buildings (where the Council acts as a lessor or lessee) and other property agreements can only be authorised for completion by the Monitoring Officer and Assistant Director of Property and Asset Management, acting on the Council's behalf. The relevant Finance support will be consulted as part of this process. Other leasing arrangements, including rental agreements and hire purchase arrangements, will only be entered into with prior approval from the Chief Finance Officer.

Prior approval to enter into leases is required to ensure that:

- Leases that constitute credit arrangements are taken into account when the Council determines its borrowing limits;
- Such arrangements represent value for money and are accounted for appropriately.

#### **2.5 Treasury Management Strategy Statement**

The Chief Finance Officer will propose an annual Treasury Management Strategy Statement, including the Minimum Revenue Provision (MRP) Policy, the Borrowing Strategy and the Treasury Investment Strategy to Council in February for the forthcoming financial year. This Strategy will comply with CIPFA's Codes of Practice on Treasury Management and the Prudential Framework for Capital Finance, relevant Regulations and with the Council's own treasury management practices; it will set the parameters within which investment and borrowing activity will be managed during the forthcoming financial year.

#### **2.6 Capital Strategy**

CIPFA's Prudential Code for Capital Finance in Local Authorities requires each Local Authority to produce a Capital Strategy on an annual basis. This Strategy defines how the Council will maximise the impact of its limited capital resources to support the delivery of its key aims and objectives. As well as meeting the requirements of the Prudential Code the Strategy also has regard to statutory guidance on Local Government Investments and Minimum Revenue Provision. The Strategy is submitted to Council in February each year for the forthcoming financial year.

#### **2.7 Medium-Term Financial Strategy (MTFS)**

The MTFS brings together the key assumptions about financing resources, including council tax, business rates and core Central Government grants, and spending pressures over the medium to longer term. This enables the Council to plan for financial risks and thus inform the setting of service revenue budgets and capital payments. The Chief Finance Officer will ensure that reports are presented to Council, as part of the annual budget setting, upon the medium-term budget prospects and the resource constraints set by the Government.

### **Section 3 - Financial Management**

#### **2.1 Introduction**

Financial management is the system by which the financial aspects of Reading Borough Council's business, including the Housing Revenue Account, are directed and controlled to support the delivery of our corporate priorities.

#### **2.2 Revenue Budget Monitoring and Control**

##### **2.2.1 Budget Management**

The Council operates within an annual budget limit, approved when the annual budget is set. To ensure that the Council does not overspend in total, each service is required to manage its own expenditure and income recovery within the budget allocated to it.



### 2.2.2 Framework for Budgetary Control

Once the budget is approved by the Council, Executive Directors/Assistant Directors are authorised to incur expenditure in accordance with the estimates that make up their budgets. Executive Directors/Assistant Directors must however maintain effective budgetary control within their service(s) to ensure that spending is contained within the annual budget limit and focussed on agreed priority areas.

The Chief Finance Officer is responsible for:

- (a) Notifying members of the Senior Leadership Group of the budgets allocated to them by Council prior to the start of each financial year.
- (b) Giving Budget Holders access to timely information on income and expenditure which is sufficiently detailed to enable them to fulfil their budgetary responsibilities.
- (c) Ensuring that Budget Holders have access to high quality financial advice.
- (d) Presenting detailed financial reports to Policy Committee and the Corporate Management Team on a regular basis.
- (e) Ensuring that relevant guidance and training is available to all staff assigned responsibility for budget management.

Executive Directors/Assistant Directors have overall responsibility for:

- (a) Maintaining, in consultation with the Chief Finance Officer a scheme of delegation ensuring that an appropriate budget holder structure is in place to ensure that responsibility is assigned for each item of income and expenditure under their control.
- (b) Making effective arrangements for the financial management of the services under their control.
- (c) Ensuring that all income and expenditure is properly recorded and accounted for.
- (d) Ensuring that individual budgets approved by Council are not over-spent.
- (e) Reporting to the Chief Finance Officer if any budgets under their control are forecast to be over-spent, and providing mitigation plans to reduce the forecast over-spend.
- (f) Providing regular financial briefings for relevant Lead Councillors.
- (g) Ensuring that new service delivery proposals are approved in accordance with the Council's Constitution.
- (h) Agreeing with the other relevant Executive Directors/Assistant Directors where a budget proposal may impact on their service area.

### 2.2.3 Scheme of Virement - Revenue

In-year budget movements made outside of the annual budget setting process fall under two categories: budget adjustments and budget virements. These budget movements may be made on a temporary basis, which only affects the budgets within a specified period, or made on a permanent basis, which affects the budgets within the current financial year and all future financial years. All virements will be quality assured by Finance.

#### **Budget Adjustments**

Budget adjustments are defined as one of the following:

- A budget movement required in order to better reflect in budget terms a decision made through the Policy Framework, agreed in accordance with the Council's Constitution.
- A budget movement over which the Council has no control, such as where statutorily or through the requirements of government grant conditions, the Council is obliged to make a budget adjustment.
- A budget movement required to correct an error, such as where the budget showing in the financial management system does not match the budget agreed by Council.
- A budget movement required to reflect an allocation from contingencies held corporately.
- A budget movement to reflect proper accounting practices.

A budget adjustment can be implemented by the Chief Finance Officer without need for further approval.

## Budget Virements

Virements are a movement of budget either within or between budget headings. A budget heading relates to an agreed division of a service, such as an activity, project, branch of operations or subjective category.

Virements may be necessary under a number of circumstances, for instance:

- Where the organisation or management of services has been restructured;
- Where income projections change, matched by changes in expenditure.

Budget virements should be made in line with the Council's Policy Framework. The approval of the Policy Committee may be required for any virement where the Chief Finance Officer has determined that a decision from the Policy Committee is required.

Budget virements within budget headings can be implemented by the budget holder without need for further approval. If a budget holder is unclear as to whether a virement crosses budget headings, advice should be taken from the Chief Finance Officer.

Budget virements relating to net increases or decreases to salaries or to gross income or expenditure require the additional approval of the Chief Finance Officer, regardless of the virement amount.

The following approvals are required in order for budget virements between budget headings to be implemented. The 'amount of virement' is the greatest requested total change within a budget heading. Budget virements relating to net increases or decreases to salaries or to gross income or expenditure always require the approval of the Chief Finance Officer, regardless of the virement amount:

### Budget Virements Within a Cost Centre

Amount of Virement	Budget Holder	Assistant Director	Executive Director	Chief Finance Officer
Up to £100k	Approval Required			
Over £100k and up to £250k	Notified	Approval Required		
Over £250k and up to £500k	Notified	Approval Required	Approval Required	
Over £500k	Notified	Approval Required	Approval Required	Approval Required

### Budget Virements Within a Service Area

Amount of Virement	Budget Holder(s)	Assistant Director	Executive Director	Chief Finance Officer
Up to £250k	Notified	Approval Required		
Over £250k and up to £500k	Notified	Approval Required	Approval Required	
Over £500k	Notified	Approval Required	Approval Required	Approval Required

### Budget Virements Across a Service Area or Directorate

Amount of Virement	Budget Holder(s)	Assistant Director	Executive Director	Chief Finance Officer
Any Amount	Notified	Approval Required	Approval Required	Approval Required

## 2.2.4 Scheme of Virement – Capital

Requests for budget virements between approved capital schemes should be submitted to Policy

Committee for approval. The funding of the budget must be considered as part of the request. The Chief Finance Officer must confirm a budget virement is affordable, if that virement would require a change in the funding source.

#### **2.2.5 Capital Payments Monitoring and Control**

The principles and framework for managing the revenue budget will apply equally with regard to the monitoring and management of individual capital projects within their scheme and spend approvals.

All schemes included in the approved Capital Programme over £2.5m, with the exception of expenditure on rolling programmes of routine capital works shall remain subject to spend approval by the responsible Committee or Council.

Schemes will usually only be added to or removed from the Capital Programme as part of the annual budget setting process. Outside of this process schemes may be removed from the Capital Programme, or budgets may be decreased with Policy Committee approval. Schemes that arise during the year may be added to the Capital Programme with Policy Committee approval if:

- The scheme is fully funded by grants or contributions, or
- The Chief Finance Officer confirms that the expenditure is affordable.

The Chief Finance Officer will report any anticipated budget variations to Policy Committee as part of the regular budget monitoring process.

Unlike revenue budgets capital budgets may be profiled over a number of financial years due to the length of time required to complete the capital project. Budget holders and capital project managers are responsible for providing reasonable estimates of profiling of capital budgets. The profiling of budgets should match the best estimates of when expenditure is expected to be incurred. Where schemes are expected to progress ahead or behind schedule a request to re-profile the budget should be submitted for Policy Committee approval.

#### **2.2.6 Treatment of Year End Balances**

Policy Committee may approve requests to carry forward budgets which are underspent at year end as part of the outturn reporting process, as recommended by the Chief Finance Officer.

### **Section 4 - Accounting Records and Financial Systems**

#### **2.3 Accounting Records**

Accounting records are all the documents involved in preparing the financial statements of the Council. They include the original source documents, e.g. invoices and purchase orders, journal entries for virements and budget adjustments etc and ledgers that describe the accounting transactions of the council.

The Council has a statutory and legal responsibility to retain accounting records for a predetermined period, normally for six years.

Maintenance of proper accounting records is one of the ways in which the Council discharges its responsibility for stewardship of public resources.

The Council's accounting records are maintained within its General Ledger. A standard coding convention is maintained within the General Ledger. The integrity of the Council's financial reporting for management and statutory purposes is dependent upon transactions being coded correctly first time at source.

The Chief Finance Officer is responsible for:

- (a) Determining the accounting procedures and records for the Council.
- (b) The compilation of all accounts and accounting records.
- (c) Keeping the accounts and financial records of the Council.

Executive Directors/Assistant Directors are responsible for:

- (a) Ensuring that their services comply with the coding conventions adopted within the General Ledger. This includes adherence to the standard subjective classifications for categories of income and expenditure.
- (b) Ensuring that all the Council's transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis.
- (c) Retaining prime documents in accordance with legislative and other requirements.

## **2.4 Annual Statement of Accounts**

The Council has a statutory responsibility to prepare its accounts and present a true and fair view of the financial performance and results of its activities during the year. It is also responsible for approving and publishing those annual statements in accordance with the timetable specified in the Accounts and Audit Regulations.

The Chief Finance Officer is responsible for identifying suitable accounting policies, and for applying them consistently, to ensure that the Council's annual statement of accounts are prepared in compliance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom and other relevant accounting standards and statutory provisions. In addition, the Chief Finance Officer will ensure that the Statement of Accounts is compiled, approved and published in accordance with the statutory timetable specified within the Accounts and Audit Regulations.

The Chief Finance Officer will issue annual instruction notes on the closure of the accounts, including a timetable. All members and officers of the Council must comply with these accounting instructions and supply the information requested by the dates specified to facilitate timely closure of the accounts.

The Chief Finance Officer must sign and date the Statement of Accounts, confirming that the accounts give a 'true and fair' view of the financial position of the Council at the accounting date and its income and expenditure for the year ended 31 March.

The Chief Finance Officer is responsible for making proper arrangements for the audit and public inspection of the Council's accounts.

## **2.5 Financial Systems**

Financial Systems must be documented and regularly backed up; and disaster recovery and business continuity plans must be maintained to allow information system processing to resume quickly in the event of an interruption.

The Chief Finance Officer is responsible for:

- (a) Approving the purchase, implementation and integration of accounting and other systems with a financial function.
- (b) Ensuring that the Council's financial systems, including any financial elements of non-financial or integrated systems, are sound, properly maintained and reconciled and that they are held securely.
- (c) Determining the accounting systems, form of accounts and supporting financial records of the Council.

Executive Directors/Assistant Directors are responsible for:

- (a) Ensuring that prior approval is obtained from the Chief Finance Officer to introduce any financial system, including any elements of a non-financial or integrated system relied upon for financial reporting purposes, within or on behalf of their area of responsibility. Prior approval must also be obtained from the Chief Finance Officer to make changes to any such systems already being operated within a service area.

## **Section 5 - Risk Management and Internal Control**

### **2.6 Risk Management**

Risk management is an integral part of effective management and planning. It is concerned with identifying and managing key obstacles to the achievement of objectives.

The Executive Director of Resources is responsible for preparing the Council's Risk Management Strategy and advising on the management of strategic, financial, and operational risks.

The Audit & Governance Committee is responsible for reviewing the authority's risk management policy statement and approach and providing independent assurance to the Council on the effectiveness of risk management and internal control.

All Members and officers alike are required to assist in, and take responsibility for, identifying, and controlling risk and opportunities in all their activities and areas of responsibility.

Executive Directors/Assistant Directors are responsible for:

- (a) Implementing the Council's risk management strategy.
- (b) Integrating risk management within business planning and performance management arrangements.
- (c) Mitigating, monitoring, and reporting on risks.
- (d) Maintaining and testing business continuity plans.

## **2.7 Insurance**

The Council protects itself against the financial implications of risk by either:

- Procuring insurance cover
- Setting aside funds in a self-insurance reserve

The Council operates an insurance programme that balances self-retained risk with external insurance policy cover, which is reviewed at each renewal. The insurance contracts have financial implications not only in the cost of the contract, but the level of self-retained risk exposure the Council wishes to accept.

The Council must comply with the "duty of fair presentation" contained in the Insurance Act 2015. The Council must disclose to its Insurers all information, facts and circumstances which are, or ought to be, known to it, which are material to the risk. A material circumstance is one which would influence the judgement of a prudent Underwriter in considering whether to provide insurance and, if so, on what basis and cost.

Insurance records relating to liability policies and related correspondence must be retained indefinitely. Documents relating to other policies and internal funding arrangements must be retained in accordance with the Council's Document Retention Schedule.

The Chief Finance Officer is responsible for:

- (a) Determining the nature and level of insurance cover to be affected.
- (b) Effecting insurance cover and processing and settlement of all claims.
- (c) Undertaking a periodic general revaluation of Council buildings so that appropriate amendments to insurance cover can be arranged.
- (d) Submitting and agreeing insurance claims with external insurers and agreeing amounts to be met from the Council's self-insurance reserve.
- (e) Arranging for payment of premiums by the due date and managing the Council's self-insurance reserve. Procedures for dealing with claims on the Council's self-insurance reserve will be prescribed by the Chief Finance Officer.

Executive Directors/Assistant Directors are responsible for:

- (a) Notifying the Insurance Manager immediately of any loss, liability or damage that may lead to a claim against the Council, together with any information or explanation required by the Chief Finance Officer or the Council's insurers.
- (b) Notifying the Insurance Manager promptly of all new risks, properties or vehicles that require insurance and of any alterations affecting existing insurances.

- (c) Consulting the Council's Insurance Manager on the terms of any indemnity that the Council is requested to give.
- (d) Ensuring that employees, or anyone covered by the Council's insurances, do not admit liability, or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim.
- (e) Promptly informing the Chief Finance Officer of any changes in the fabric, use or contents of any assets which may affect its valuation for insurance purposes.
- (f) Ensuring that any person who makes use of his / her own vehicle for Council business shall comply with the appropriate Council policies with regards to car users and any instructions relating to this policy.

## **2.8 Internal Control**

Internal control refers to the systems of control that help ensure the authority's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the authority's assets and interests are safeguarded and properly accounted for. These arrangements also need to ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice.

The Chief Finance Officer is responsible for:

- (a) Advising on effective systems of internal control to ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with statutory requirements and other guidance that govern their use.
- (b) Conducting an annual review of the effectiveness of the system of internal control and publishing the results of this within the Council's Annual Governance Statement.

Executive Directors/Assistant Directors are responsible for:

- (a) Taking corrective action in respect of any non-compliance by staff with relevant rules, regulations, procedures, and codes of conduct.
- (b) Implementing effective systems of internal control ensuring adequate separation of duties, clear authorisation levels, and appropriate arrangements for supervision and performance monitoring.
- (c) Planning, appraising, authorising, and controlling their operations in order to achieve continuous improvement in economy, efficiency and effectiveness and for achieving their objectives, and targets in accordance with the budgetary framework and Council Plan.
- (d) Ensuring the systems and processes of the Council are working as expected and undertaking an appraisal for the Annual Governance Statement

All Members and Officers are responsible for complying with the controls set down in these Financial Regulations.

## **2.9 Preventing Fraud and Corruption**

All members and officers of the Council will act with integrity and with due regard to matters of probity and propriety, and comply with all relevant rules, regulations, procedures, and codes of conduct, including those in relation to receipt of gifts and hospitality and declarations of conflicts of interest.

The Council will not tolerate fraud or corruption in the administration of its responsibilities, whether perpetrated by members, officers, customers of its services, third party organisations contracting with it, or other agencies or individuals with which it has any business dealings.

The Chief Finance Officer is responsible for:

- (a) Developing and maintaining an Anti-fraud and Corruption Strategy that stipulates the arrangements to be followed for preventing, detecting, reporting and investigating suspected fraud and irregularity.
- (b) Advising on the controls required for fraud prevention and detection.
- (c) Appointing a Money Laundering Reporting Officer to ensure that systems are in place to counter opportunities for money laundering and that appropriate reports are made.



Executive Directors/Assistant Directors are responsible for:

- (a) Ensuring that there are sound systems of internal control within their Services for fraud prevention and detection.
- (b) Ensuring they follow all controls, policies and regulations to minimise fraud and taking all necessary action if fraud is suspected.

All Members and Officers are responsible for:

- (a) Complying with the Council's Anti-fraud and Corruption Strategy.
- (b) Implementing audit recommendations within agreed timescales.
- (c) Reporting cases of suspected fraud or irregularity to the Chief Auditor for investigation and complying with the Council's Whistleblowing Policy.
- (d) Reporting any vulnerabilities or suspicions of money laundering in accordance with guidance issued by the Money Laundering Reporting Officer.

## **2.10 Audit Requirements**

### **2.10.1 External Audit**

The External Auditor's duties include reviewing and reporting upon:

- (i) The financial aspects of the Council's corporate governance arrangements.
- (ii) The Council's financial statements: the external auditor must be satisfied that the Statement of Accounts give a 'true and fair view' of the financial position of the Council and its income and expenditure for the year in question and complies with legal requirements.

The Council's external auditor may also issue public interest reports, advisory notices and make recommendations under the Local Audit and Accountability Act.

The Council may, from time to time, also be subject to audit, inspection or investigation by external bodies such as HM Revenue and Customs, who have statutory rights of access.

The External Auditors and other statutory inspectors must be given reasonable access to premises, personnel, documents and assets that they consider necessary for the purposes of their work. Regard must be given to the Council's Data Protection Policy, and if there is any doubt about whether it is appropriate to provide such data to the External Auditor or other statutory inspectors, advice should be sought from the Data Protection Officer and the Monitoring Officer.

### **2.10.2 Internal Audit**

The Accounts and Audit Regulations require the Council to maintain an effective internal audit function to evaluate the effectiveness of its risk management, control and governance processes, taking into account Public Sector Internal Audit Standard (PSIAS).

Internal Audit is an independent and objective appraisal function, established by the Council to evaluate and report on the adequacy of the Council's internal control systems in securing the proper, economic, efficient, and effective use of resources.

Internal Audit has the authority to:

- (i) Access any Council premises, assets, records, documents and correspondence, and control systems.
- (ii) Receive any information and explanation related to any matter under consideration.
- (iii) Require any employee of the Council or school maintained by the Council to account for cash, stores or any other asset under their control.
- (iv) Access records belonging to third parties (e.g. Contractors) when required.
- (v) Talk directly to all Members and Officers of the Council and all members of Audit & Governance Committee.

### **2.10.3 Responsibilities with Respect to Internal and External Audit**

The Chief Finance Officer is responsible for:

- (a) Maintaining an adequate and effective Internal Audit service in accordance with the Accounts and Audit Regulations.
- (b) Ensuring that the statutory requirements for external audit are complied with and that the External Auditor can effectively scrutinise the Council's records.
- (c) Ensuring that audit plans and results are reported to the Audit & Governance Committee.

All Members and Officers are responsible for:

- (a) Ensuring that Internal and External Auditors have access to all documents and records for the purposes of the audit and are afforded all facilities, cooperation and explanation deemed necessary.
- (b) Cooperating in the production of annual audit plans by highlighting any areas of risk that may benefit from audit review.
- (c) Implementing audit recommendations within agreed timescales.

## **Section 6 - Assets**

### **2.11 Security of Assets**

The Council holds assets in the form of property, land, vehicles, ICT and other equipment, furniture and data, these assets must be safeguarded and used efficiently in service delivery.

All Members and Officers have a responsibility for safeguarding the Council's assets and information, including safeguarding the security of the Council's computer systems and paper records, and for ensuring compliance with the Council's data protection and cyber security requirements, including the completion of mandatory training.

Executive Directors/Assistant Directors are responsible for:

- (a) Ensuring the proper security and maintenance of all assets, including the recovery of assets from leavers.
- (b) Ensuring that the title deeds for all Council properties are held by the appropriate service.
- (c) Ensuring that no Council asset is subject to personal use by an employee without proper authority.
- (d) Ensuring cash holdings on premises are kept in line with the limits set out in the Council's insurance policies.

The Assistant Director of Property and Asset Management is empowered to acquire or dispose of land up to the limits expressed in the Key Decision criteria, after which approval of the relevant Committee is required. No other Executive Director/Assistant Director may acquire or enter into or amend a licence or lease to occupy, any land or property, nor to dispose of any land or property owned by the Council, except in the day-to-day allocation and management of single Council dwellings under the Housing Revenue Account, which are the responsibility of the Executive Director for Communities and Adult Social Care. The Chief Finance Officer must be informed of any acquisitions or disposals of property.

### **2.12 Asset Registers**

The Chief Finance Officer will maintain the corporate Fixed Assets Register. This register forms the basis of Balance Sheet reporting on all non-current assets held by the Council. Each Executive Director/Assistant Director will keep appropriate records of fixed assets under their control to support the corporate Fixed Assets Register.

This 'Assets Register' is maintained, in accordance with the requirements of the CIPFA Code of Practice on Local Authority Accounting in the UK and the underlying accounting standards, for all items capitalised, in accordance with the guidance issued by the Chief Finance Officer, that are expected to be used and/or controlled by the Council during more than one financial year. Items that the Council has acquired for a prolonged period under the terms of a lease or similar arrangement must also be recorded.



This means that the 'Assets Register' is maintained and reconciled for:

- (i) All land and property owned, occupied or held by the Council, including land held under a charitable Trust where the Council has an interest in the land.
- (ii) Buildings held and being used by the Council for operational purposes, including those held under the terms of a finance lease, and those held for investment purposes: for disposal; or deemed to be surplus to current requirements.
- (iii) All highways infrastructure (e.g. roads, structures, traffic management systems etc.) that was capitalised in accordance with the guidance issued by the Chief Finance Officer.
- (iv) All Council-owned vehicles, plant and equipment, including IT hardware, and intangible assets, such as IT software, that, when acquired, were capitalised in accordance with the guidance issued by the Chief Finance Officer.

Executive Directors/Assistant Directors will provide the Chief Finance Officer with any information necessary to maintain the Assets Register. This will include confirmation, and the location, of moveable assets, which should be appropriately marked and insured.

Non-current assets that are required to be measured at 'current value' will be re-valued in accordance with:

- (i) The requirements of the CIPFA Code of Practice on Local Authority Accounting in the UK; and
- (ii) Methodologies and bases for estimation set out in relevant professional standards, including those of the Royal Institute of Chartered Surveyors.

### **2.13 Use of Property Other Than for Direct Service Delivery**

The use of property other than for direct service delivery will be subject to prior agreement of, and in accordance with terms and conditions specified by, the Assistant Director of Property and Asset Management in the Strategic Asset Management Plan.

Prospective occupiers of Council land and buildings are not permitted to take possession or enter the land and buildings until a lease or agreement, in a form approved by the Monitoring Officer on the instruction of the Assistant Director of Property and Asset Management, has been put in place.

## **6.5 Land and Property Asset Disposals – General Fund**

Full details of the process governing the disposal of land and property owned the Council are set out in the Council's Asset Disposal Policy. This does not apply to the sale of residential properties within the Housing Revenue Account as these are subject to a different legal framework.

The overarching policy that identified and determines disposal of property is the Council's Strategic Asset Management Plan.

### **6.5.1 Legal Framework**

Land should be sold for the best consideration reasonably obtainable as set out in section 123 of the Local Government Act 1972. The Act also sets out that in circumstances where an authority considers it appropriate to dispose of land at an undervalue, they must seek the consent of the Secretary of State, unless the undervalue amount is £2m or less.

In determining whether or not to dispose of land for less than the best consideration reasonably obtainable, and whether or not any specific proposal to take such action falls within the £2m undervalue limit, the authority should ensure that it complies with normal and prudent commercial practices, including obtaining the view of a professionally qualified valuer as to the likely amount of the undervalue. This applies even for disposals by means of formal tender, sealed bids or auction. Supporting documents should provide evidence that the Council has acted reasonably and with due regard to its fiduciary duty.

### **6.5.2 The Disposal Process**

The Assistant Director of Property and Asset Management is responsible for determining whether

operational land or buildings are potentially surplus to requirements and for reporting their availability in accordance with the Asset Disposal Policy.

Receipts from the disposal of assets will be treated as a corporate resource and not earmarked for specific projects. The Chief Finance officer will determine their application in line with the Council's Medium Term Financial Strategy.

## **6.6 Land and Property Asset Disposals – Housing Revenue Account**

The primary form of Housing Revenue Account disposal is through the Right to Buy (RTB) process.

Additional HRA receipts may occur for instance from Land for development and follows a similar process to the General Fund disposals, however it is tied to additional requirement to gain consent from the Secretary of State. Land provided under Part II of the 1985 Act which no longer fulfils its current purpose can be removed from the HRA under Section 122(1) of the Local Government Act 1972. The guidance states that "the decision is for the authority to take, though it should be able to explain the basis of the decision to its External Auditor and tenants, if called upon to do so."

It is important to note that, before a house or part of a house can be appropriated out of the HRA for another purpose, a local authority needs to obtain the Secretary of State's consent under Section 19(2) of the 1985 Act.

## **6.7 Disposal of Other Assets**

The Assistant Director for Digital and IT has the responsibility for managing and arranging for the safe disposal of all Council Digital and IT equipment in accordance with the best value duty, ensuring the safety of the Council's data whilst maximising any residual resource once the equipment has been cleaned and made ready for disposal.

Disposal of all other assets are the responsibility of the respective Assistant Directors, within existing Key Decision criteria.

## **6.8 Consumable Stocks and Stores**

Assistant Directors must ensure robust arrangements are in place for the acquisition and management of stocks and stores held by their Services and must maintain inventory records that document the purchase, requisition and usage of these items.

The stock of such items should be maintained at an appropriate level and be subject to regular independent physical check against the inventory. Discrepancies must be documented and investigated and pursued to a satisfactory conclusion.

Where stocks and stores have not been used at the end of the financial year, they will be held on the Balance Sheet as stock. Assistant Directors must produce a stock certificate or evidence of a stock count, confirming the number and value of items held as at 31 March and submit it to the Chief Finance Officer. The value of the items represents the lower of cost or net realisable value.

Stocks and stores must be removed from (i.e. written off) the Council's financial records when they can no longer be sold or used, or when they are no longer held due to theft or other loss. Any write-offs of obsolete or missing stock must be carried out in consultation with the Chief Finance Officer.

## **6.9 Cash**

### **6.9.1 Introduction**

The Chief Finance Officer is responsible for issuing guidance for the management of all cash funds across the Council to ensure that the Council's money is properly managed in a way that balances risk with return, with the overriding consideration being given to security.

In accordance with the Council's Anti-Money-Laundering Policy, all suspected attempts to use the Council to launder money must be reported to the Chief Auditor who is the Council's Money Laundering Reporting Officer.

## 6.9.2 Treasury Management

The Council must comply with the CIPFA Treasury Management in the Public Services: Code of Practice and associated Cross-sectoral Guidance, and approve on an annual basis:

- A Treasury Management Strategy Statement (TMSS), which sets out the parameters for the Council's planned treasury activity during the coming financial year.
- A Treasury Management Policy.
- A Minimum Revenue Policy setting out the basis on which revenue funds will be set aside for the future repayment of outstanding borrowing.
- An Annual Investment Strategy, which sets out the Council's approach to managing risk in relation to its financial investments.
- Prudential and Treasury Management Indicators.

It is the responsibility of the Chief Finance Officer to propose a Treasury Management Strategy Statement to Council annually ahead of the new financial year and to subsequently recommending any changes as may be necessary to Council for approval through Policy Committees.

The Chief Finance Officer will report to the Audit & Governance Committee at regular intervals in each financial year, on treasury management activities undertaken within delegated powers. All investments of money, and borrowings undertaken, on behalf of the Council will be made in the name of the Council. The Chief Finance Officer will maintain records of such transactions.

## 6.9.3 Loans to third parties

The following table sets out the circumstances in which loans may be provided to third parties, and the approval required for each type of loan:

## 6.9.4 Bank Accounts

The Chief Finance Officer the only Council officer with delegated authority to open bank accounts on behalf of the Council, and to approve a list of authorised bank signatories.

Type of loan	Approval required
Season ticket and similar loans made to employees	To be made in accordance with the Council's Delegations Register Scheme of Delegation and HR Guidance: <ul style="list-style-type: none"> <li>• Season ticket loans – Assistant Director</li> <li>• Cycle loans – Assistant Director</li> <li>• Rent Deposit Scheme – Assistant Director</li> </ul>
Monies invested with banks and other financial institutions.	To be undertaken in accordance with the Council's Annual Treasury Management Strategy.
Loans to third parties, including wholly owned companies, for the purpose of financing expenditure which, if incurred by the Council, would constitute capital expenditure.	Such a loan would constitute capital expenditure by the Council, and the repayment would constitute a capital receipt, and so would require Capital Programme approval. The approval of the Chief Finance Officer will be required to make any such loan, within the scheme and spend approval already given by Committee for the capital expenditure.
Loans sought from the Council for other purposes (e.g. where a service is being outsourced and the potential provider seeks an up-front payment to support cash flows).	Only to be undertaken with the prior approval of the Chief Finance Officer. The Chief Finance Officer's approval will also be required to offer such a loan at a discounted rate of interest. In all cases, this approval will be subject to any necessary Committee consent for the overall purpose being pursued

Only officers approved by the Chief Finance Officer have the authority to:

- (i) Make arrangements for the collection and payment into the Council's bank accounts of all monies due to the Council.
- (ii) Make or authorise transfers between the various bank accounts and withdrawals from those accounts.
- (iii) Manage and administer bank accounts on behalf of clients as approved through Court of Protection/Deputyship arrangements.

#### **6.9.5 Imprest Accounts, Petty Cash & Floats**

In the limited circumstances when Purchase Orders cannot be used, the Chief Finance Officer may provide bank imprest accounts and/or petty cash to meet minor expenditure on behalf of the Council.

Cash floats may be provided where there is a requirement to hold cash for the purpose of giving change to customers.

The Chief Finance Officer is responsible for:

- (i) Prescribing rules for operating these accounts/balances.
- (ii) Determining the amount of each imprest account/balance.
- (iii) Maintaining a record of all transactions and cash advances made.
- (iv) Periodically reviewing the arrangements for the safe custody and control of these advances.

Officers operating an imprest account are responsible for:

- (i) Obtaining and retaining vouchers/receipts to support each payment from the imprest account/balance. Where appropriate, an official receipted VAT invoice must be obtained.
- (ii) Making adequate arrangements for the safe custody of the account/balance.
- (iii) Producing cash and all vouchers/receipts to the total value of the imprest account/balance.
- (iv) Recording transactions promptly.
- (v) Reconciling and balancing the account/balance at least monthly; with reconciliation sheets being signed and retained by the account/balance holder.
- (vi) Ensuring that any account/balance is never used to cash personal cheques or to make personal loans and that the only payments into the account are the reimbursement of the float and change relating to purchases where an advance has been made.
- (vii) Providing the Chief Finance Officer with a certificate of the value of the account/balance held at 31 March each year.

#### **6.9.6 Trust Funds and Funds Held for Third Parties**

All trust funds will, wherever possible, be held in the name of the Council. All officers acting as trustees by virtue of their official position shall deposit securities relating to the trust with the Chief Finance Officer, unless the deed provides otherwise.

Where the Council is the trustee, funds will be operated within any relevant legislation and the specific requirements for each trust.

Where funds are held on behalf of third parties, for their secure administration, written records will be maintained of all transactions.

The Chief Finance Officer is responsible for making returns of charity trust accounts to the Charity Commission.

## **Section 7 - Income and Expenditure**

### **2.14 Income**

#### **2.14.1 Introduction**

Effective income collection systems are necessary to ensure that all income due to the Council is identified, collected, receipted and banked properly.

Wherever possible, income should be collected in advance of supplying goods or services. Such an approach will avoid the time and cost of administering debts and negates the possibility of a bad debt.

It is the responsibility of Assistant Directors to ensure that staff authorised to act on their behalf in respect of income collection are clearly identified, and that they follow accounting instructions as issued by the Chief Finance Officer.

#### **2.14.2 Charging Policies**

Executive Directors/Assistant Directors will ensure that charges for the supply of goods or services where appropriate enable as a minimum full cost recovery. These will be reviewed annually with the Chief Finance Officer, as part of the corporate budget process. An annual Statement of Fees and Charges will be taken to Council for agreement as part of the Council's annual budget setting process.

On an exceptional basis, alternative timeframes will be considered in agreement with the Chief Finance Officer.

#### **2.14.3 Income Collection**

The Chief Finance Officer will set out the procedures, systems and processes for the collection of all income due to the Council including debt recovery and write offs.

The Chief Finance Officer in conjunction with Assistant Directors will ensure that:

- (i) All money received by, or on behalf of, the Council is paid fully and promptly into the appropriate Council bank account,
- (ii) Income is not used to cash personal cheques or other payments.
- (iii) Appropriate details are recorded onto paying-in slips to provide an audit trail.
- (iv) A record is kept of money received directly by employees of the Council.
- (v) The receiving officer signs for the transfer of funds, and the transferor must retain a copy.
- (vi) Money collected and deposited is reconciled to the appropriate bank account on a regular basis.
- (vii) The responsibility for cash collection is separated from that for identifying the amount due and that responsibility for reconciling the amount due is separated from handling of the amount received.
- (viii) Income is only held on premises up to levels specified within the Council's insurance policies. All such income will be locked away to safeguard against loss or theft, and to ensure the security of cash handling.
- (ix) All appropriate income documents are retained and stored for the defined period in accordance with the Council's document retention policy and schedule.
- (x) The Chief Finance Officer is advised of outstanding income relating to the previous financial year as soon as possible after 31 March, and in line with the timetable for closure of the accounts.

#### **2.14.4 Debt Recovery**

Executive Directors/Assistant Directors will ensure that a clear framework is in place within their areas of responsibility which defines who is empowered to raise a debt on the Council's behalf.

Debts should be recovered in accordance with the Council's Corporate Debt Recovery Policy, which sets out the principles for maximising collection, and provides details of the approach the Council will

take in seeking to recover all money due. In all cases will be reasonable, fair and appropriate given the nature of the debt:

- (i) Where appropriate and lawful, ensure payment is received before or at the point of service.
- (ii) Invoices and other requests/demands should be checked for completeness and accuracy before being issued promptly.
- (iii) All invoices to be paid in accordance with the deadlines set out in the Corporate Debt Recovery Policy.

#### **2.14.5 Writing Off Debts**

Assistant Directors will critically review outstanding debts on a regular basis, in conjunction with the Chief Finance Officer, and take prompt action to write off debts no longer deemed to be recoverable.

No legitimate debt may be cancelled, other than by formal write-off. Executive Directors/Assistant Directors have delegated authority to write off debts, for a particular debtor, for sums up to £1,000 at their own discretion; and for sums of up to £20,000 with the consent of the Chief Finance Officer. In both cases they must keep a written record of the debt and the reasons for writing it off.

The Chief Finance Officer will report to the Policy Committee on the writing-off of individual debts over £20,000.

A record must be maintained for all debts written off. Where debts have been referred to Legal Services, the Chief Finance Officer will have due regard to their advice when considering action relating to bad debts. The appropriate accounting adjustments must be made following approval to write off a debt.

A write-off is only appropriate where:

- The demand or invoice has been raised correctly and is due and owing; and
- There is a justified reason why the debt should not be pursued further.

#### **2.14.6 Issuing Credit Notes – Accounts Receivable**

Credit notes will be subject to the approval of the Assistant Director or operational budget holder.

A credit note to replace a debt must be substantiated and can only be issued to correct a factual inaccuracy or administrative error in the calculation and/or billing of the original debt, and once it is confirmed that the debt is not payable.

Credit notes will not be issued:

- (i) For irrecoverable debts, as the formal write-off procedure should be followed.
- (ii) Where the debtor cannot afford to pay at that time. The debt should remain, and revised payment terms agreed, as appropriate.
- (iii) Where a debt is to be recovered through deductions from payments. In such instances, the deductions made should be offset against the debtor.

### **2.15 Ordering and Paying for Work, Goods and Services**

#### **2.15.1 Introduction**

Public money must be spent with demonstrable probity and in accordance with the Council's policies. The Council's procedures help to ensure that officers are protected, and services obtain value for money from their purchasing arrangements through the use of established contracts, service level agreements and the use of the Council's systems.

Officers involved with engaging contractors, and/or with purchasing decisions, have a responsibility to declare:

- (i) Any links or personal interests that they may have with suppliers and/or contractors; and



- (ii) Any gifts or hospitality offered by, or received from, suppliers and/or contractors.

### 2.15.2 Purchase Orders

A purchase order is a document that the Council sends to a supplier to request goods or services at a specific price and quantity. It is used to control the purchasing process.

Purchase Orders for works, goods and services must be raised via the Council's Finance System and authorised by officers designated by the relevant Executive Directors/Assistant Directors.

All purchase orders must be raised prior to the supply of goods and services and receipt of the supplier invoice.

Purchase Orders can only be raised on finance system by approved staff (buyers) who have completed the relevant Finance System eLearning training and granted access to the purchase order role in the finance system.

When creating purchase orders, buyers are responsible for selecting the correct supplier and choosing the most appropriate spend category, to allow the Council to track overall spend by type of work, goods or service.

The buyer is also responsible for entering the correct financial account codes, order value and relevant dates for provision of the work, goods or service for each line item in the order so that the spend commitment in the finance system is recorded against the correct account codes and financial periods.

The finance system prevents buyers from approving their own orders. Purchase Orders are submitted to designated approvers based on the Scheme of Delegation (financial limits) and cost centre assignments.

The levels of authority for approval of Purchase Orders are as follows:

Organisation / Role	Financial Delegation
Chief Executive Chief Finance Officer and Deputy s151 Officer	No limit
Executive Directors plus selection of senior managers responsible for overseeing PFI / capital projects	£5,000,000
Deputy Directors / Assistant Directors	£500,000
Cost Centre Manager	£50,000

The authoriser of an order must be satisfied that:

- (i) The works, goods and services ordered are appropriate and needed.
- (ii) There is adequate budgetary provision; and
- (iii) Quotations or tenders have been obtained, if necessary, in accordance with procurement policies and procedures.

Works, goods and services must be checked upon receipt to ensure they are in accordance with the order. Wherever possible, goods should not be received by the person who approved the order.

The buyer is responsible for recording the receipt of works, goods and services against the original purchase order in the finance system promptly when the works, goods and service have been received, and prior to the receipt of an invoice. This will provide approval to pay for the works, goods and services for the amount receipted.

Buyers are responsible for performing monthly reviews of all open purchase orders and for taking action to follow-up on outstanding requirements, amending purchase orders for agreed variations and for closing purchase orders when all required goods and services have been provided and receipted. Amendments to a Purchase Order that increase the value will be subject to the same approval process described above.

The Chief Finance Officer is responsible for:

- (a) Maintaining the levels of authority for approval of Purchase Orders and authorised signatory database.

Executive Directors/Assistant Directors are responsible for:

- (a) Designating those staff authorised to raise purchase orders.
- (b) Designating those officers authorised to approve purchase orders.
- (c) Closing any orders that are inactive and no longer required.

### **2.15.3 Invoice Payments**

The Chief Finance Officer will make payments from the Council's funds upon the receipt of proper original, certified copy or valid electronic VAT invoices that have been checked and that the associated Purchase Order has been goods receipted.

Payments to creditors will be made within agreed payment terms.

Any invoice in dispute with a supplier must be clearly identified and processed in accordance with guidance issued by the Chief Finance Officer and the Monitoring Officer.

For transactions other than those processed via the Council's finance system, a different officer from the person checking an invoice must authorise the payment.

It is not permissible to make a payment in advance of the delivery of works, goods or services, or to vary the Council's standard settlement terms, other than with the prior approval of the Chief Finance Officer.

The normal method of payment by the Council shall be by BACS payments direct into suppliers' bank accounts.

The use of VISA Purchasing Cards (VPCs) must be done in accordance with the VISA Purchasing Card Procedure Rules. The card user is responsible for obtaining valid VAT invoices or receipts for the purchases made.

In exceptional circumstances, where suppliers are unable to accept payment via BACS, an alternative method of payment will be provided by the Chief Finance Officer. The use of direct debits to make payments will require the prior agreement of the Chief Finance Officer.

All appropriate evidence of the transaction and payment documents will be retained and stored in accordance with the Council's document retention policy and schedule.

The Chief Finance Officer is responsible for:

- (a) Issuing VISA Purchasing Card Procedure Rules
- (b) Making payments to suppliers.

Executive Directors/Assistant Directors are responsible for:

- (a) Notifying the Chief Finance Officer immediately of any expenditure to be incurred as a result of statute / court order where there is no budgetary provision. In such cases, appropriate budget provision should be sought, by way of a virement.
- (b) Advising the Chief Finance Officer, at the end of each financial year, of outstanding expenditure relating to the financial year just ended, in line with the timetable for closure of the accounts determined by the Chief Finance Officer.

### **2.16 Taxation**

The Council is required to comply with all relevant taxation regulations and guidance that affect the Council either directly, as a consequence of its own activities, or indirectly, as a consequence of service delivery through external partners.



Taxation regulations are complex and can require external specialist advice. It is essential that new or unusual activities are properly assessed prior to commencement.

The Chief Finance Officer is responsible for:

- (a) Ensuring compliance with all relevant taxation regulations and guidance that affect the Council either directly, as a consequence its own activities, or indirectly, as a consequence of service delivery through external partners.
- (b) Maintaining the Council's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date, as appropriate.

Executive Directors/Assistant Directors are responsible for:

- (a) Ensure that the Chief Finance Officer is consulted on all proposals that may alter or affect the Council's tax liability, including proposals to implement alternative service delivery models.
- (b) Ensure that the VAT guidance issued by the Chief Finance Officer is complied with, to ensure that the correct liability is attached to all income due and that all amounts recoverable on purchases can be claimed.
- (c) Ensure that, where construction and maintenance works are undertaken, the sub-contractor fulfils the necessary construction industry tax scheme requirements, as advised by the Chief Finance Officer.
- (d) Ensure that the Chief Finance Officer's guidance regarding fee payments to consultants, individuals or partners is complied with.

## **2.17 Emergency Payments**

Emergency payments are those arising from legal cases, civil emergencies or natural disasters such as flooding. They relate to unforeseen circumstances where budget provision has not been made and the payment cannot be covered within the relevant service's existing budget.

Emergency payments can only be made in accordance with Standing Order 42.

## **2.18 Transparency**

The council complies with the requirements of the Local Government (Transparency Requirements) (England) Regulations 2015 by publishing information about all payments over £500.

# **Section 8 – External Arrangements**

## **8.1. Alternative Delivery Models**

### **8.1.1 Introduction**

Services may be commissioned from retained services within the Council or via an alternative delivery model. Any intention to commission services through such a model must only be pursued in compliance with the decision making process outlined below.

### **8.1.2 Business Cases for Alternative Delivery Vehicles**

Any proposal to commission services via an alternative delivery vehicle must be supported by an approved business case, to ensure that there is a robust planning and decision-making process in place.

The Business Case must clearly articulate the options being considered and measure these against the desired outcomes. It should also set out whether there is a statutory basis for the provision of the service or activity under consideration.

A decision to enter into or to affect the terms of an agreement or partnership agreement with other local authorities or bodies falls within the authority's definition of a key decision and therefore requires specific committee approval. A decision to enter into a Joint Arrangement or Joint Committee with other local authorities must be taken by Council.

Executive Directors/Assistant Directors are responsible for ensuring that Council or Committee approval is obtained before any contract negotiations are entered into, and that all agreements and arrangements are properly documented.

The Policy Committee is responsible for approving the Council's participation in all significant partnerships/joint working arrangements with other local public, private, voluntary and community sector organisations.

Executive Directors/Assistant Directors, following advice from the Head of Paid Service, Monitoring Officer and Chief Finance Officer, will advise Policy Committee on the key elements of arrangements for commissioning services via an alternative delivery model, including:

- (i) The financial roles and responsibilities of the Council with respect to monitoring of the alternative delivery model provider.
- (ii) Appraisal of financial and non-financial risks, together with mitigation plans. The reputational impact of failure to deliver services should be considered, with clear plans on how this would be addressed.
- (iii) A comprehensive list of all the financial commitments the Council will enter into as a result of adopting the alternative service delivery model.
- (iv) The governance arrangements for decision making and how these will be carried out to ensure that the services provided remain aligned to those of the Council.
- (v) Performance measurement arrangements.
- (vi) Exit arrangements, and what would be done to ensure services continue to be delivered in the event of non-delivery by the service provider.
- (vii) The financial implication, including taxation issues, arising as a consequence of the proposed alternative delivery model.
- (viii) Transfer of Council assets to the proposed delivery vehicle, and arrangements for safeguarding their title and use.
- (ix) How equality, sustainability, recruitment and employment practices, data handling and protection, freedom of information principles, standards and behaviour and arrangements for engaging with citizens and service users are aligned to the Council's legal requirements and policies.
- (x) Audit requirements, both internal and external, and arrangements for the Council's auditors, where relevant, to have access to information.
- (xi) Arrangements for providing information required for the Council's Statement of Accounts to the Chief Finance Officer.
- (xii) In the event that the proposal is for a local authority trading company, a dividend policy should be agreed that sets out the process by which decisions will be taken regarding the retention or distribution of profits.
- (xiii) Pensions advice.

## **8.2. Partnerships**

### **8.2.1 Context**

Partnerships include any arrangements where the Council agrees to undertake, part-fund or participate in a project with other bodies; either as a beneficiary of the project, or because the nature or status of the project gives the Council a right or obligation to support it. It is important to understand and distinguish between a partnership in this context and a supplier who the Council may refer to as a 'partner' due to the status that the Council has contractually awarded to it. Irrespective of the title applied to it, this latter type of partnership is a supplier relationship, which will be entered into in accordance with, and governed by, the Council's Contract Procedure Rules.

### **8.2.2 Forming of Partnerships**

The approval of Policy Committee must be obtained prior to the Council entering into any partnership agreement where it is proposed that the Council adopts the role of 'Accountable Body' for a partnership. This is to ensure that the:

- (i) Legal status and financial viability of the arrangement are clearly established and that they are acceptable.
- (ii) The Council's financial commitment to the partnership is quantified and that it can be

- accommodated within the existing budget provision.
- (iii) Financial and corporate governance arrangements in place for the partnership are robust, and acceptable from the Council's perspective.
- (iv) The Council is not exposed to undue financial, legal or reputation risk as a consequence of its involvement in the partnership.
- (v) The Council's own financial accounting and reporting requirements can be satisfied.

A partnership agreement must be produced that documents each of the above matters, and the arrangements for dispute resolution and for exiting the arrangement.

The relevant service Committee is responsible for approving the partnership agreement, and any delegations and frameworks required by it, in respect of functions and services delegated to that Committee. The Policy Committee will approve partnership agreements, delegations and frameworks which affect services which cut across the delegation of functions to Committees, or where the decision falls outside the service committee's normal cycle of meetings or is urgent.

Executive Directors/Assistant Directors are responsible for:

- (a) Ensuring the approval of the Head of Paid Service, Chief Finance Officer and the Monitoring Officer is obtained prior to entering into a partnership agreement.
- (b) Ensuring an appraisal is undertaken which demonstrates that the risks associated with the arrangement are minimal, or that appropriate arrangements are in place to mitigate any such risks.
- (c) Ensuring the partnership agreement and arrangements will not impact adversely upon the services provided by the Council or upon its finances.
- (d) Ensuring the proposed financial contribution by the Council to the partnership can be met from existing budget provision.
- (e) Ensuring Committee approval is secured for the agreement, and for all delegations and frameworks for the proposed partnership.

Executive Directors/Assistant Directors must make clear, in their report to Committee, the Council's budget provision for the service covered by the proposed partnership arrangement. The report must specify which party will be the Accountable Body under the partnership, set out the financial implications and seek the necessary budget transfers and officer delegations to exercise this role if it is the Council.

### **8.2.3 The Council Acting as Accountable Body for a Partnership Arrangement**

Where the Council is the 'Accountable Body' for a partnership, all expenditure must be authorised by an appropriate Council officer, or by someone else who has a statutory power to authorise expenditure. Executive Directors/Assistant Directors are responsible for ensuring that the Council is promoting and applying the same high standards of financial administration to the Partnership as apply in the Council.

Whenever any such arrangements are made there must be a written document which clearly establishes the responsibilities of the respective partners for managing the arrangement and the resources made available to the partnership. The document must also set out the arrangements in respect of unspent funding at each year end, including where this is to be returned to the Council as unspent money.

Executive Directors/Assistant Directors must provide all relevant information on the partnership arrangements to the Chief Finance Officer and the Monitoring Officer, in order that the appropriate disclosures can be made within the Council's annual Statement of Accounts.

## **8.3. External Funding**

### **8.3.1 Funding Conditions**

External funding e.g. government and non-government grants is an important source of income to the Council, but funding conditions need to be carefully considered prior to entering into agreements, to ensure that:

- (i) They are compatible with the aims and objectives of the Council;
- (ii) The necessary procedures are in place to meet funding conditions and reporting requirements; and
- (iii) Appropriate budget provision is available if 'match funding' is required.

All bids for external funding must be made in consultation with the Chief Finance Officer.

Bids for sums which, if successful, would involve the Council in a financial commitment of over £500k for the length of the scheme, are key decisions and must be agreed in advance by the responsible service Committee. Any bid where the Council does not have budget provision to meet its contribution to the cost of the scheme is also a key decision.

In exceptional cases, where the timescale and deadline for the bid mean that it would not be practical to submit a report to the relevant Committee, the bid may be submitted following consultation with the Chief Finance Officer, Lead Councillor and Leader or Deputy Leader, and reported to the next meeting of the Committee by the lead Assistant Director.

For other bids, the following delegations apply:

- (1) The Assistant Director for the service in question, in consultation with the Chief Finance Officer, is authorised to submit bids for funding from all available sources which do not fall within the key decision definition, and where successful to accept, subject to:
  - (a) The scheme being consistent with the Council's capital strategy, budget and policy framework and medium-term priorities.
  - (b) The Council's contribution being met from within existing approved budgets in the current and future years.
  - (c) The Council's costs or liability not exceeding £500,000 over the length of the scheme.
  - (d) All successful bids over £100,000 being reported by the lead Assistant Director to the next meeting of the responsible Committee.
- (2) Where any of the criteria in (a) to (c) above are not met, the lead Assistant Director may not submit or accept a bid for any scheme without the prior approval of the Policy Committee.

### **8.3.2 Accounting for External Funding**

The Chief Finance Officer, in conjunction with the Assistant Director in receipt of the grant, must, as appropriate, ensure that all funding notified by external bodies is received and properly recorded in the Council's accounts. This will include ensuring that claims for funding are made by the due date, and in accordance with the funding conditions and guidance issued by the Chief Finance Officer.

The Chief Finance Officer and Assistant Directors must, as appropriate, satisfy audit requirements in respect of external funding claims. This includes maintaining appropriate records that accord with the funding conditions, and making these available to the auditors as required.

### **8.3.3 Third Party Expenditure**

Sometimes, grant funding awarded to the Council may be passed to an organisation falling outside of the direct responsibility of the Council. The Council will however remain accountable for the grant funding and, as such, will be responsible for ensuring that all of the terms of the grant are met. The Council must ensure that effective monitoring procedures are in place to provide assurances over the eligibility of expenditure incurred by the third party.

## **8.4. Work by the Council for Third Parties**

### **8.4.1 Approval to Contractual Arrangements**

Work can only be undertaken for third parties where the Council has the legal powers to undertake the work. Where such legal powers exist, Executive Directors/Assistant Directors are responsible for:

- (i) Approving the contractual arrangements for any work undertaken by their services for third parties or external bodies.
- (ii) Ensuring that the appropriate expertise exists to fulfil the contract.
- (iii) Ensuring that no contract adversely impacts upon the services provided by the Council.
- (iv) Ensure that the appropriate insurance arrangements are in place.
- (i) Ensure that all costs arising from the provision of services to a third party are fully recovered and hence that there is no subsidy included within the contract.
- (ii) Ensure that wherever possible payment is received in advance of work being undertaken such that the Council is not exposed to the risk of bad debts.

All contracts will be properly documented, and a register will be maintained of those contracts. Executive Directors/Assistant Directors will provide information on the contractual arrangements to the Chief Finance Officer, in order that the appropriate disclosures can be made within the Council's annual Statement of Accounts.

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