

To: Councillor Terry (Chair)
Councillors Leng, Barnett-Ward, Eden,
Emberson, Ennis, Gittings, Griffith, Nikulina,
Rowland, R Singh, Thompson, White and
Yeo

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9 December 2025

Your contact is: Simon Hill - Committee Services

NOTICE OF MEETING - POLICY COMMITTEE 17 DECEMBER 2025

A meeting of the Policy Committee will be held on Wednesday, 17 December 2025 at 6.30 pm in the Council Chamber, Civic Offices, Reading, RG1 2LU. The Agenda for the meeting is set out below.

1. CHAIR'S ANNOUNCEMENTS

2. DECLARATIONS OF INTEREST

3. MINUTES 5 - 12

4. DELEGATED DECISIONS 13 - 14

5. PUBLIC PETITIONS AND QUESTIONS

To receive any petitions from the public and any questions from the public.

6. QUESTIONS FROM COUNCILLORS

To receive any questions from Councillors.

7. SIMPLER RECYCLING - INTRODUCTION OF GLASS COLLECTIONS FROM KERBSIDE BOROUGH WIDE 15 - 22

This report sets out the design, mobilisation, and go live plan for introducing kerbside glass collections.

8. READING ECONOMIC DEVELOPMENT FRAMEWORK BOROUGH WIDE 23 - 90

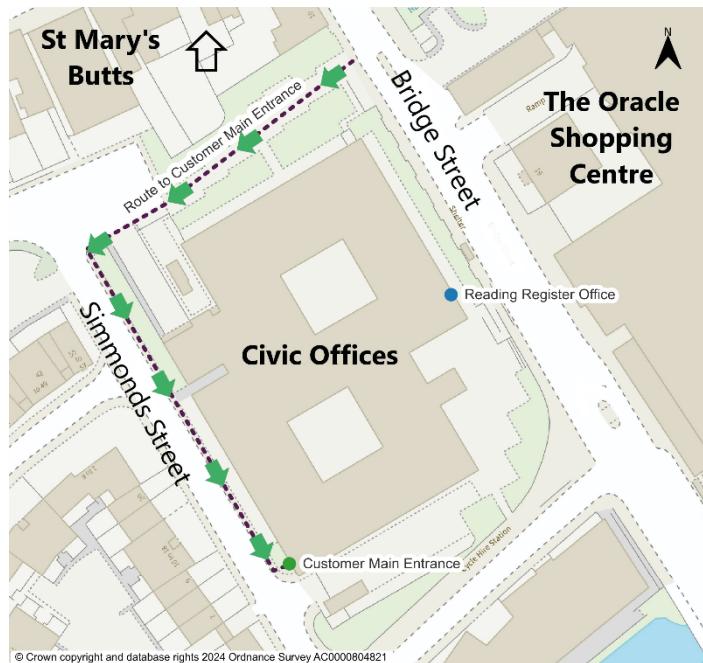
This report sets out the draft Reading Economic Development Framework 2025-35.

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9.	LAND & PROPERTY ASSET DISPOSAL POLICY	BOROUGH WIDE	91 - 128
	This report seeks approval to adopt and implement a new Policy and procedure framework for the disposal of the Council's land and property assets.		
10.	HEALTH IN ALL POLICIES FRAMEWORK	BOROUGH WIDE	129 - 152
	This report introduces the principle of a Health in All Policies approach across the Council and outlines a proposed framework and actions for embedding the approach.		
11.	2025/26 QUARTER 2 PERFORMANCE & MONITORING REPORT	BOROUGH WIDE	153 - 218
	The report sets out the provisional revenue and capital outturn positions for the Council's General Fund and Housing Revenue Account as at the end of Quarter 2 2025/26 as well as performance against the measures of success published in the Council Plan.		
12.	MEDIUM TERM FINANCIAL STRATEGY 2026/27- 2028/29 UPDATE	BOROUGH WIDE	219 - 254
	This report provides an update on the development of the Council's Medium Term Financial Strategy 2026/27- 2028/29.		
<u>ITEMS FOR CONSIDERATION IN CLOSED SESSION</u>			
13.	EXCLUSION OF THE PRESS AND PUBLIC		
	The following motion will be moved by the Chair:		
	“That, pursuant to Section 100A of the Local Government Act 1972 (as amended) members of the press and public be excluded during consideration of the following items on the agenda, as it is likely that there would be disclosure of exempt information as defined in the relevant Paragraphs of Part 1 of Schedule 12A (as amended) of that Act”		
14.	DECLARATIONS OF INTEREST FOR CLOSED SESSION ITEMS		
15.	160 -163 FRIAR STREET READING	ABBEY	255 - 438

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Agenda Item 3

POLICY COMMITTEE MEETING MINUTES - 17 NOVEMBER 2025

Present: Councillor Terry (Chair);
Councillors Leng (Vice-Chair), Barnett-Ward, Eden, Ennis, Gittings, Griffith, Nikulina, Rowland, R Singh, Thompson, White and Yeo

36. MINUTES

The Minutes of the meeting held on 20 October 2025 were agreed as a correct record and signed by the Chair.

37. PUBLIC PETITION

A petition was submitted by Alan Macro titled 'Petition against Reading extending its Boundary to include Theale'. Councillor Terry, Leader of the Council, responded to the petition.

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

38. QUESTIONS FROM COUNCILLORS

Questions on the following matters were submitted by Councillors:

	<u>Questioner</u>	<u>Subject</u>	<u>Reply</u>
1.	Cllr Thompson	Remedicare Education	Cllr Eden

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

39. INTRODUCTION OF EMISSIONS BASED CHARGING

Further to Minute 52 of the meeting held on 20 January 2025, the Committee considered a report on proposals to introduce emissions-based charging (EBC) for on-street parking, resident and all other parking permits across the Borough following public consultation. The following documents were attached to the report:

- Appendix 1 - Responses to EBC on-street pay and display charges consultation
- Appendix 2 - Proposed EBC charging structure for on-street pay and display
- Appendix 3 - Responses from the EBC permit charges consultation
- Appendix 4 - Proposed EBC charging structure for permits
- Appendix 5 - Equality Impact Assessment
- Appendix 6 - Consultation responses from the March 2025 consultation on permits and pay and display
- Appendix 7 - Emailed consultation responses from the March 2025 consultation on permits and pay and display

POLICY COMMITTEE MEETING MINUTES - 17 NOVEMBER 2025

The report explained that a broad informal consultation had been carried out in March 2025 covering multiple elements of the proposed EBC scheme, including resident parking permits, on-street pay and display parking and other permit types. This had been followed by a statutory consultation for the introduction of EBC for on-street Pay and Display only, carried out between 21 August and 12 September 2025, as these proposed changes would require amendments to existing Traffic Regulation Orders (TROs). The proposed change to parking permit charges was a change to policy rather than to TROs, and as such there was no requirement to undertake a statutory consultation. A non-statutory consultation had been carried out between 25 September and 16 October 2025, to provide residents with information on the proposals and seek feedback before a final decision was made.

The report set out the results of the statutory consultation on the on-street pay and display element as well as the outcome of the residents permit consultation. It outlined the most common themes in the consultation responses and other factors to be taken into consideration. It was recommended to implement the proposed schemes, as an important part of a mixed approach to bring improvements to air quality over time to Reading.

At the meeting an updated version of Appendix 4 (Proposed EBC charging structure for permits) was tabled which corrected a number of rounding errors in the document circulated with the agenda.

Resolved –

- (1) That the consultation responses in relation to emissions-based charges for on-street pay and display changes be noted, and that the proposed charges as set out in Appendix 2 be agreed;**
- (2) That the Assistant Director of Legal and Democratic Services, in consultation with the Assistant Director of Environmental and Commercial Services, be authorised to make permanent the resultant Traffic Regulation Order in relation to the on-street pay and display charges;**
- (3) That the consultation responses in relation to emissions-based charges for Permits be noted and that the proposed charges as set out in Appendix 4 (as tabled at the meeting) be agreed;**
- (4) That the Assistant Director of Environmental and Commercial services be authorised to implement the emissions-based charging structure for the list of Parking permits set out in Appendix 4;**
- (5) That respondents to the consultations be informed of the decisions of the Committee accordingly.**

40. PROPOSAL TO IMPLEMENT A BOROUGH WIDE PUBLIC SPACES PROTECTION ORDER

POLICY COMMITTEE MEETING MINUTES - 17 NOVEMBER 2025

Further to Minute 9 of the meeting of the Housing, Neighbourhoods and Leisure (HNL) Committee held on 9 July 2025, the Committee considered a report setting out proposals to introduce a Borough Wide Public Spaces Protection Order (PSPO) following a public consultation. The following documents were attached to the report:

- Appendix A - Consultation responses.
- Appendix B - Supporting evidence
- Appendix C - Equalities Impact Assessment
- Appendix D - Council response to consultation comments.
- Appendix E - Draft PSPO Order

The report noted that the HNL Committee had agreed that a public consultation be carried out on a proposal to introduce a Borough Wide PSPO which would provide an additional tool to tackle four key types of behaviour: Begging, Street Drinking, Anti-social use of E-bikes and E-scooters and Dog Control and Fouling. Local councils were responsible for making PSPOs, which was a power intended to address anti-social behaviour in a designated public space. PSPOs were intended to improve the quality of life in communities by restricting or prohibiting certain activities in a public area which had caused the community a detrimental impact.

The report set out the feedback from the public consultation that had been undertaken between 21 July 2025 and 7 September 2025, as well as concerns highlighted by respondents and the Council's responses to these concerns. Following the completion of the consultation and review of the evidence, an assessment had been made to ensure that the Council was satisfied that, on reasonable grounds the two required conditions to implement a PSPO were met: that activities being carried out within a public place had had a detrimental effect on the quality of life of those in the locality or it was likely they would, and that the effect, or likely effect, of these activities was, or was likely to be, of a persistent or continuing nature, such as to make the activities unreasonable.

The report summarised the implications of introducing a PSPO and outlined the arrangements for its implementation and monitoring. It was proposed to carry out a yearly review to review effectiveness and ensure there were no unintended consequences. A PSPO Implementation Project Board would manage the monitoring and measuring of the PSPO.

Resolved -

- (1) That the outcome of the public consultation on the Public Spaces Protection Order (PSPO) be noted;**
- (2) That the PSPO be introduced as set out in the report;**
- (3) That the Executive Director for Communities and Adult Social Care, in consultation with the Assistant Director of Legal & Democratic Services and the Lead Councillor for Environmental Services and Community Safety, be authorised to finalise and publish the proposed conditions for the PSPO as set out in paragraph 3.8 of the report, subject to final legal drafting;**

- (4) That the consequences of breach as being a Fixed Penalty Notice of £100 as an alternative to prosecution which carried a maximum fine of £1000 be agreed;**
- (5) That the creation of a PSPO Implementation Project Board to oversee implementation and communications activity be noted.**

41. DRUG AND ALCOHOL TREATMENT AND RECOVERY CONTRACT

The Committee considered a report seeking approval to procure and award a new drug and alcohol treatment and recovery contract. An Equality Impact Assessment was attached to the report at Appendix A.

The report noted that the current Drugs and Alcohol treatment and recovery contract commissioned by the Council was scheduled to end in September 2026. Following discussions with neighbouring Berkshire local authorities, it was proposed to carry out a procurement exercise solely for Reading, commissioning a new contract of five years with options to extend for up to another five years.

The report explained that the government had announced its 2025-26 drug, alcohol, and recovery grant funding to support local authorities in enhancing treatment and recovery services. Several previously separate grants, including those for inpatient detoxification, rough sleeping drug and alcohol treatment, and supplemental substance misuse and recovery, had been consolidated into a single Drug and Alcohol Treatment and Recovery Improvement Grant (DATRIG). The announcement of DATRIG allocations beyond 2025/26 was expected in December 2025. Due to the late announcement of the allocations and the procurement timetable deadlines, it was proposed to design a specification and funding stream for a core offer and an enhanced offer until funding allocations had been confirmed. It was intended that the enhanced offer would include the Multiple Disadvantage Outreach Team Contract, which was currently funded by the DATRIG until September 2026. The Council would continue to commission inpatient detoxification and intensive prescribing services through subregional consortiums.

The report explained that the current drug and alcohol treatment and recovery service was delivered from 4 Waylen Street/ 127 Oxford Road a Council-owned property. It was the intention to continue to use this property and align it with the contract terms under a new lease, and the report sought authority to grant a lease to the successful provider. The long-term plan was for the successful provider to work with the Council to identify, secure, and renovate new premises that were fit for purpose. The existing lease arrangement would ensure continuity of service and provide necessary flexibility for both the provider and service users during the transition period.

Resolved -

- (1) That a new drug and alcohol treatment and recovery contract be procured to commence on 1 October 2026, for a long-term duration of up to 10 years;**

- (2) **That, if the Government announced its continuation beyond March 2026, the annual Drug and Alcohol Treatment and Recovery Improvement Grant be incorporated into the contract allowing flexibility to enhance service delivery in line with grant conditions, subject to continued government funding;**
- (3) **That the Executive Director of Communities & Adult Social Care, in consultation with the Lead Councillor for Education and Director of Public Health, be authorised to award the contract and any subsequent extensions following completion of the tender process;**
- (4) **That the Council enter a contract with the successful provider for an initial period of five years, with the option to extend for a further three years and then an additional two years (5+3+2), subject to performance and funding;**
- (5) **That the Assistant Director of Property & Asset Management, in consultation with the Leader of the Council, the Lead Councillor for Health, the Director of Finance, the Director of Public Health and the Assistant Director of Legal and Democratic Services, be authorised to grant a new lease to the successful provider for the use of 4 Waylen Street, Reading, on terms aligned with the duration of the treatment contract, as set out in section 3.6 of the report as further required to protect the Council's interests.**

42. REGULATORY SCHEMES MID-TERM ADJUSTMENT

The Committee considered a report seeking approval for a number of mid-year adjustments to fees and charges in respect of regulatory schemes operated by the Council. The following documents were attached to the report:

- Confidential Financial Annex – Fee proposal Mandatory and Discretionary Licensing (Exempt information under Paragraph 3)
- Fees comparison for Mandatory and Discretionary Licensing
- Current and Proposed Fees & Charges Building Regulations Scheme
- Current and Proposed Fees for Planning Pre-Application Advice and Planning Performance Agreements

The report noted that the Council currently operated a licensing scheme for larger houses in multiple occupation with five or more occupants, the national Mandatory Licensing Scheme. The phased implementation of a Discretionary Licensing Scheme consisting of a boroughwide Additional Licensing Scheme alongside the phased implementation of a Selective Licensing Scheme were currently in progress with an aim to launch in the current financial year. Licensing fees for both schemes had been reviewed to ensure they were operating on a cost recovery basis and it was proposed that fees be increased as set out in the report. The information was included in a confidential annex to the report due to commercial sensitivity in the tender process. To reflect the adjustments to the fees some minor amendments to the Housing Standards Enforcement Policy would also be required.

POLICY COMMITTEE MEETING MINUTES - 17 NOVEMBER 2025

The report explained that the Building (Local Authority Charges) Regulations 2010 provided legal minimum standards applicable to the majority of building work undertaken. The Building Control Team performed a monitoring and enforcement service to ensure these standards were met through assessing, commenting on and approving building plans and then inspecting these works as they progressed on site. Local Authority Building Control services produced a scheme of charges for work in connection with the Building Regulations. The fees charged had been reviewed to ensure costs were recovered and were in line with those charged by our neighbouring authorities and proposed increases were set out in Appendix 3 to the report.

Pre-application advice was an informal planning service offered by local planning authorities, which allowed individuals or developers to discuss their development proposals with planning officers before submitting a formal planning application. This process was designed to help improve the quality and success rate of applications. The Council's pre-app service had been reviewed against total costs and comparison with adjacent authorities, and it was recommended that fees for some categories of application be increased as set out in Appendix 4 to the report.

Resolved -

- (1) That the mid-term adjustment to the Mandatory HMO Licensing fees be approved and applied to the Discretionary scheme when the tender process was complete and the scheme launched;**
- (2) That the amendments to the Housing Standards Enforcement Policy, removing reference to discounts in relation to licences issued under the Housing Act 2004 to reflect the revision of fees, be approved;**
- (3) That the revised Building Regulation charging scheme in line with The Building (Local Authority Charges) Regulations 2010 be approved as set out in Appendix 3;**
- (4) That the revised fees for the planning pre-application service be approved as set out in Appendix 4;**
- (5) That the revised fees become effective from 1 December 2025.**

43. EXCLUSION OF THE PRESS AND PUBLIC

Resolved –

That pursuant to Section 100A of the Local Government Act 1972 (as amended), members of the press and public be excluded during consideration of item 44 below as it was likely that there would be a disclosure of exempt information as defined in paragraph 3 specified in Part 1 of Schedule 12A to that Act.

44. ADELPHI HOUSE

POLICY COMMITTEE MEETING MINUTES - 17 NOVEMBER 2025

The Committee considered a report seeking approval for a surrender and regrant of a new lease of Adelphi House, on the terms set out in the report.

Resolved -

- (1) That the surrender and regrant of a new lease on the terms set out in paragraph 3.5 of the report be agreed, to ensure that the tenant remained in occupation of the property for a longer term at least until 23 June 2033 and to enable the Council to retain this asset for its income as an investment property in order to support the Council's Medium-Term Financial Strategy;**
- (2) That, if the tenant subsequently changed their negotiated position, the Executive Director of Economic Growth & Neighbourhood Services, in consultation with the Director of Finance, Leader of the Council, the Lead Councillor for Planning & Assets and the Assistant Director of Legal and Democratic Services, be authorised to agree revised terms that represented best value to the Council.**

(The meeting started at 6.30 pm and closed at 7.59 pm)

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Committee	Date of meeting	Minute number	Item title	Decision	Officer delegated to	Lead Councillor portfolio	Expected timescale for decision
Policy Committee	09/06/25	5(3)	Appointments to Outside Bodies	That the Monitoring Officer, in consultation with the Leader of the Council and the relevant Group Leader (if applicable), be authorised to appoint to any vacancies not appointed to at this meeting or arising mid-year;	AD of Legal & Democratic Services/Monitoring Officer/Returning Officer	Leadership	Delegation may be required at any point during the Municipal Year. Any appointments made using this delegation will be reported under Chair's Announcements at the next available meeting of the Committee and recorded in the Minutes.
Policy Committee	07/04/25	79 (2)	Disposal of Yeomanry House	That if the purchaser did not perform to an acceptable timescale the Executive Director for Economic Growth and Neighbourhood Services be given delegated authority, in consultation with the Leader of the Council and the Lead Councillor for Planning & Assets, to: <ul style="list-style-type: none"> a) Agree a revised offer price and terms where appropriate which secure Best Consideration; b) Re-engage with other bidders as appropriate or remarket the property for disposal at Best Consideration. 	Exec Director of Economic Growth and Neighbourhood Services	Leadership;#Planning and Assets	This delegation is only required if purchaser does not perform to an acceptable timescale.
Policy Committee	21/07/25	12	Insurance Contract Tender	That the Director of Finance in consultation with the Lead Councillor for Corporate Services and Resources and the Assistant Director for Legal and Democratic Services be authorised to make relevant decisions regarding policy cover, levels of deductibles and award the contract at the end of the tender process to the winning tenderer/s.	Director of Finance/s151 officer;#AD of Legal & Democratic Services/Monitoring Officer/Returning Officer	Corporate Services and Resources	Tender evaluation in January and aim to award in the middle of February 2026, for the contract to be in place by 1 April 2026.
Policy Committee	17/09/25	25	Joint Procurement for Parking Enforcement Services	(1) That the Executive Director for Economic Growth and Neighbourhood Services, in consultation with the Lead Councillor for Climate Strategy and Transport, Assistant Director of Legal and Democratic Services, and Director of Finance be authorised to: <ul style="list-style-type: none"> a. Commence a procurement exercise independently or in partnership with other councils for parking enforcement, permits, Penalty Charge Notice processing and postal services; b. Terminate, if appropriate, the existing contract for parking enforcement with Trellint (part of the Modaxo Group) by mutual agreement at a date that allowed an orderly handover to new contract arrangements; c. Enter into a suitable agreement with another council or councils to undertake the necessary procurement exercises on behalf of Reading Borough Council; d. Enter into an agreement with a company individually or jointly procured to provide on street and off-street parking enforcement services; e. Enter into an agreement with a company individually or jointly procured to deliver Penalty Charge Notice processing, issue permits for residents and businesses and provide postal services for same; f. Undertake any required contract modifications (to include extension / variation) as might be required from time to time to ensure effective operational management of the contract, subject to that impact not exceeding key decision thresholds. 	Exec Director of Economic Growth and Neighbourhood Services;#AD of Legal & Democratic Services/Monitoring Officer/Returning Officer;#Director of Finance/s151 officer	Climate Strategy and Transport	Invitation to Tender issued in November, with a short list to be produced in January 2026 and an award made in April 2026.

Committee	Date of meeting	Minute number	Item title	Decision	Officer delegated to	Lead Councillor portfolio	Expected timescale for decision
Policy Committee	17/09/25 27		Broad Street Mall Redevelopment	<p>(4) That authority be delegated to the Executive Director of Economic Growth and Neighbourhood Services, in consultation with the Leader of the Council, Lead Councillor for Planning and Assets, Assistant Director of Legal and Democratic Services, Director of Finance, and Assistant Director of Property and Asset Management, to:</p> <p>(a) Negotiate and conclude terms with relevant parties in respect of the Heads of Terms for the surrender and the Construction and Management Agreement;</p> <p>(b) Negotiate and conclude terms for disposals and acquisitions in accordance with sections 123 and 120 of the Local Government Act 1972;</p> <p>(c) Negotiate to enter into any required and/or ancillary documentation and agreements to facilitate the Broad Street Mall development, and;</p> <p>(d) Procure commercial, professional technical and legal advisors and consultants as necessary, to facilitate the Broad Street Mall development.</p>	Exec Director of Economic Growth and Neighbourhood Services;#Director of Finance/s151 officer;#AD of Legal & Democratic Services/Monitoring Officer/Returning Officer;#AD of Property & Asset Management	Leadership;#Planning and Assets	<p>(a). Target for Conditional Exchange of Carpark Surrender Agreement – June 2026</p> <p>ii.Target for agreeing Construction and Management Agreement (CMA) – Oct 2026</p> <p>(b). Target for Conditional Exchange of Carpark Surrender Agreement – June 2026</p> <p>(c). This would be in parallel to and following agreement of the CMA and would continue up to BSM starting on site in Q3 of 2027; there may also be requirements to enter in to agreements following works starting on site, this is TBD.</p> <p>(d).Procurement process commencing Oct 2025</p>

Policy Committee

17 December 2025



Reading
Borough Council
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Title	Simpler Recycling – Introduction of Glass Collections from kerbside
Purpose of the report	To make a decision
Report status	Public report
Executive Director/ Statutory Officer Commissioning Report	Emma Gee, Executive Director Economic Growth and Neighbourhood Services
Report author	Marcus Hermon, Recycling & Waste Services Manager / Chris Wheeler, Assistant Director Neighbourhood Services
Lead Councillor	Councillor Karen Rowland, Lead Councillor for Environmental Services and Community Safety
Council priority	Ensure Reading Borough Council is fit for the future
Recommendations	That Policy Committee considers the report and approves the timeline for the implementation of kerbside glass collection as set out in section 11.

1. Executive Summary

- 1.1 This report sets out the design, mobilisation, and go live plan for introducing kerbside glass collections. Round design work has been completed and confirms four (4) new service rounds are required to deliver the service to property numbers projected to 31.3 2026/27.
- 1.2 Collections will be provided on a fortnightly cycle and will be scheduled to take place on the opposite week to green waste collections. This will minimise the number of waste receptacles that are presented kerbside on collection days, by avoiding the timetable of general, recycling and food waste collections.
- 1.3 The government have set a compliance date for glass and food of the 1st April 2026 however like many authorities across the country we face logistical and procurement challenges in meeting this date.
- 1.4 Reading has been ahead many other councils in the conversion of the fleet's vehicles to electric vehicles in response to the Council's 2019 Climate Emergency declaration. Therefore, we have engaged extensively with the vehicle supply market in consideration of all options currently available to deliver this service. This engagement identified that there are limited manufacturers for the size and configuration of vehicle required (narrow with low entry), with the only viable option currently in manufacture being diesel powered. No tried and tested electric vehicle of the specification required exists in this market space.
- 1.5 Due to supply chain delays (vehicles and containers), the practical start of the service is predicted to be April 2027. The supply chain delays are a direct consequence of multiple local authorities all working towards the government's legislative timetable. Whilst the consequential delays are unwelcome, they allow for a joint programme of service enhancement to also include flexible plastics on our recycling rounds, required in April 2027.

- 1.6 A comprehensive implementation plan will underpin the introduction of the kerbside glass and flexible plastic collection service. Communications activity will begin well in advance of service launch, starting with early awareness messaging to residents from Autumn 2026. This will include clear information on the service timetable, container types, and what materials are acceptable, with a strong emphasis on reducing contamination. Multiple channels will be used, including social media, the Council website, printed leaflets, and community engagement events.
- 1.7 Container delivery will take place ahead of the service go-live, with the standard provision being 55-litre plastic boxes (or suitable alternative sacks as needed). Each household will receive their container, together with instructions on safe use and presentation. This staged approach ensures residents are fully informed and prepared before collections commence in April 2027.

2. Policy Context

- 2.1. The UK Government's Simpler Recycling initiative, introduced under the Environment Act 2021, standardises recycling across England by mandating the collection of a common set of recyclable materials by March 2026. This includes weekly food waste, and kerbside collections of glass, paper, card, plastics, and metals.
- 2.2. Reading Borough Council (RBC) implemented weekly food collections from 2021 and continues to roll out provision to new build properties and flats, where bin storage constraints exist. However, RBC does not currently collect glass at kerbside, instead providing 201 bring banks across 46 conveniently located community sites that combined collect more than 500 Tonne of glass per Qtr.
- 2.3. To comply with legislation, the Council is required to provide kerbside collection of both food and glass to all residents by April 2026. At its July 2025 Policy Committee meeting the Council agreed a proposal for separate fortnightly glass collections using 55ltr kerbside boxes for households and 240ltr bins for communal properties/flats. Other container types may be required for properties that present unique challenges, and these will be agreed on a case-by-case basis.
- 2.4. The proposed introduction of glass collections in response to simpler recycling legislation aligns with key national and local environmental policies, including:
 - UK Government Resources and Waste Strategy (2018):
Emphasises the need to move towards a circular economy, increase recycling rates, and ensure consistent collections across local authorities.
 - Environment Act 2021:
Introduces requirements for local authorities in England to collect a consistent set of recyclable materials, including glass, from all households.
 - DEFRA's Consistency in Household and Business Recycling Collections (2021):
Encourages separate, regular kerbside collections of recyclable materials, including glass, to reduce contamination and improve material quality.
 - Reading Borough Council Climate Emergency Declaration (2019):
Commits the council to reducing its environmental impact and achieving a net-zero carbon target. Improving recycling services contributes directly to this objective by reducing landfill use and emissions from waste processing.
 - Joint Municipal Waste Management Strategy:
Supports harmonised and sustainable waste management practices across the region, promoting increased recycling through accessible and efficient systems.
- 2.5. The introduction of a fortnightly kerbside glass collection would ensure Reading is compliant with the government guidance, while demonstrating leadership in local climate action and sustainable resource management.

3. The Proposal

Methodology & Design

- 3.1 As officers had identified the potential need, to save cost the round design on a fortnightly collection cycle, was undertaken as part of the 2025 round optimisation work completed by the recycling & waste service. This exercise maximised performance of existing collections and laid the foundations to meet the future requirements of Simpler recycling.
- 3.2 The majority of the implementation will see each household provided with a 55L kerbside box, with communal properties provided 240ltr bins. The town does have a number of properties with extremely limited capacity for waste storage, and officers will explore and make available alternatives such as suitable sacks.
- 3.3 Collections will be scheduled to take place on the same day, but on the alternative/opposite week, to the scheduled fortnightly garden waste collections. This is to avoid the timetable for general, recycling & food waste collections and to minimise the number of bins presented for collection on any one day.
- 3.4 Operational collection will be the same as all other kerbside collection rounds to maximise the efficiency of resources and enable operational resilience in the event of any service challenges.
- 3.5 Staff resources are synchronised and shared across all waste collection rounds to permit resilience in the event of staff sickness.
- 3.6 Waste collection prioritisation in the event of a challenge that prevents all rounds from being operated will follow the existing waste hierarchy, prioritising the collection of *putrescible waste streams:
 - *Food Waste
 - *General Waste
 - Recycling
 - Glass
 - Garden

Implementation

- 3.7 Service introduction will cover two core property types with different challenges as follows;
 - Type 1: All street level properties and selected flats/HMOs where sufficient storage capacity exists.
 - Type 2: Properties with storage constraints (*including flats/HMOs without adequate capacity) that we have been unable to address prior to service implementation are to be assessed individually by the Environmental Team, with tailored solutions put in place as constraints are resolved with stakeholders.

*70% of communal bin stores that service blocks of flats have insufficient capacity to accommodate a glass waste bin. Each of these sites will require individual assessment and consultation with property managers to agree a suitable solution based on their specific constraints/challenges. This engagement work will be undertaken by our Recycling Enforcement Team, as is currently the case with the roll out of food waste collections to similarly constrained sites.

- 3.8 Vehicles will be narrow track RCV to ensure access to all roads. The vehicles will have a behind Cab storage compartment which provides a fire safe compartment for batteries and small Waste Electrical and Electronic Equipment (WEEE) items to be collected kerbside. Whilst the collection of these materials is part of our current provision, capacity on our recycling vehicles is limited and take up has been low. The addition of this fleet and new glass service provides a prime opportunity to relaunch these services with the vehicles more able to deal effectively with ~~Page 11~~ therefore, WEEE and batteries will be promoted

as taking place alongside glass collection, subject to appropriate operational delivery arrangements being designed and agreed with the re3 partner councils and Contractor.

Image of Typical Glass Vehicle Design



- 3.9 Access will be available to the broader refuse collection fleet for enhanced resilience in the event of breakdown and maintenance coinciding at the same time.
- 3.10 When scheduled for replacement the Glass waste collection vehicles will transition to spare fleet vehicles, replacing older diesel models, ensuring the resilience of the broader waste collection fleet.

3.11 Operations Plan

- Rounds: 4 x rounds providing collections on a fortnightly cycle.
- 5 vehicles to cover 4 active rounds plus 1 spare to absorb downtime from routine servicing and PMI inspections and to support operational resilience.
- Staff Resource: 5 x collection crews of 1 x Driver & 2 x Loaders, delivering 4 x daily collection rounds with 20% absence cover for leave, sickness & training.
- Tipping arrangements: Smallmead Facility at Island Road Reading, with contingency provided at Longshot Lane, Bracknell in the event of loss of access to Smallmead.
- Noise management: We will prioritise commercial/arterial routes earlier; to minimise early collections on noise sensitive streets.
 - Noise experienced by residents will be limited in length and will occur no more than once a fortnight. Noise dampening mats in the glass waste collection hopper will also minimise noise.
 - Adopt best practice in the management of risks associated with staff noise exposure, with the provision of noise minimising ear wear, risk assessment informed working practices & an annual programme of health monitoring put in place.

3.12 Performance & KPIs: The service, as with the introduction of food waste, will be expected to attain the following performance standards;

- Participation rate: target [70%] by month 3; [80%] by month 12.
- Capture rate: [9.6kg/hh/per collection] target, based on benchmarking.
- Missed collections: < [80] per 100,000 lifts.

4. Contribution to Strategic Aims

- 4.1. Simpler Recycling supports the Councils strategic aims by reducing waste to landfill and associated greenhouse gas emissions. Increased quality of recycling material encourages

circular economy practices, promoting responsible resource use and reduces environmental impact.

4.2. 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.

4.3. In delivering these priorities, the following set of principles will guide us:

- 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

4.4. 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.

5. Environmental and Climate Implications

5.1 Collection of household glass at kerbside may facilitate an improved recycling rate and material quality contributing to the Council's climate change targets.

5.2 Reduction in Carbon Emissions:

- Recycling glass uses 30% less energy than making new glass from raw materials.
- Producing new glass involves mining silica, soda ash, and limestone, processes with significant carbon footprints.
- While glass itself does not decompose or emit methane, improved glass recycling often indirectly reduces pressure on landfill systems.

5.3 The collection of glass from kerbside will increase the Council's vehicle usage, with the following consequences:

- Adding separate glass collections would increase fuel use and emissions from waste collection vehicles, even if mitigated with route optimisation.
- Higher Operational and Carbon Costs.
- Manufacture and distribution of additional boxes/bins has an embedded carbon cost.
- Energy use in reprocessing: While still lower than producing new glass, glass recycling is energy-intensive.

5.4 Consideration will be given to the use of Hydrogenated Vegetable Oil (HVO) based fuel as an alternative to Diesel across the Council's full vehicle fleet.

- HVO can reduce lifecycle greenhouse gas emissions by up to 90% compared to conventional diesel, making it a cleaner alternative.
- HVO produces fewer harmful pollutants, such as nitrogen oxides (NOx) and particulate matter, contributing to improved air quality.
- HVO is compatible with existing diesel engines and infrastructure, allowing for a drop-in replacement without modifications.
- HVO typically costs 15% more per litre than conventional diesel, and this cost will need to be balanced against the environmental benefits that may be realised in consideration of affordability.

6. Community Engagement

- 6.1 This new service will encourage residents to recycle more by removing barriers where some do not have access to transport glass recycling to either Bring Banks or the Household Recycling Facility.
- 6.2 This is a major service roll out and as such will require a full communications programme including:
 - Pre-launch mailer and service leaflet to all households on affected rounds.
 - Web updates, FAQs, and service finder integration.
 - Promotion of online bin collection calendar.
 - Social media countdown.
 - Assisted collection parity.

7. Equality Impact Assessment (EQIA)

- 7.1 To ensure the Council has considered the impact of the new glass collection service on groups protected under the Equality Act 2010 and taken steps to mitigate any adverse effects.
- 7.2 Summary of Impacts and Mitigation of groups that could be directly affected by the introduction of kerbside glass collections.

Protected Group	Potential Impact	Mitigation
Older People	May find it difficult to lift and move glass containers	Continue and promote assisted collections; use manageable box design
Disabled People	Accessibility concerns for those with mobility or dexterity issues	Offer assisted collections, accessible information formats, and staff awareness training
People with Limited English	May not understand service changes or collection schedule	Provide translated leaflets, visual instructions, and community engagement
Pregnant Women	Physical strain moving glass containers	Assisted collection offered; targeted communication via health services

7.3. Due Regard Consideration

- The service improves access to recycling for all households.
- Known barriers (mobility, language, information access) have been considered.
- Proactive measures (assisted collections, inclusive communication) are in place.
- Service design will include bespoke design for hard to reach and those properties with limited storage.
- Ongoing monitoring through customer feedback and complaints will inform future adjustments.

- 7.4. In conclusion, the Council has taken proportionate steps to understand and mitigate any negative impacts of this service change. The introduction of fortnightly kerbside glass collections demonstrates due regard to equality duties under the Equality Act 2010.

8. Other Relevant Considerations

- 8.1 The effectiveness of Simpler Recycling will be influenced by market demand for recyclable materials. Ongoing monitoring and partnership with waste contractors will help mitigate risks.

9. Legal Implications

9.1 Waste collection authorities are responsible for collecting household waste. They must collect the recyclable household waste streams for recycling or composting or arrange for a private waste collector to do so, where there is a duty to collect waste under section 45(1)(a) of the Environmental Protection Act 1990, section 45A will apply in England.

9.2 The UK Government's Simpler Recycling initiative was published by the Department for Environment, Food & Rural Affairs (Defra) on 29 November 2024. The initiative is part of the broader Environment Act 2021, and it introduces standardised collections across the Country, with the same materials being recyclable everywhere regardless of location.

9.3 The initiative requires all local authorities to implement the requirements for its residents by 31st March 2026. Accordingly, the Council is required to take steps to commence collection of all dry recyclable materials and separate weekly food waste collections for residents by this date. Practical & Procurement obstacles indicate that Reading will not be able to achieve this date. There are a number of authorities across the country in a similar position, including our re3 partner and neighbouring local authorities.

9.4 Reading and its re3 partners have flagged with DEFRA the practical challenges experienced, and this has been acknowledged. Whilst disappointment was expressed regarding an inability to meet the compliance date, the DEFRA representatives acknowledged that we had identified a route to compliance at the earliest practicable time.

10. Financial Implications

10.1. Considering the lengthy lead times for vehicles, typically 12-15 months from start of a tendering process, early approval was sought and obtained from July Policy Committee to commence procurement of 5 vehicles. This exercise is nearing completion with an order due to be placed prior to end of November 2025.

10.2. The Spending Review 2025 confirmed that “The Local Government settlement also includes funding for local authorities to deliver Simpler Recycling as part of the Collection and Packaging waste reforms, which will help to stimulate investment in recycling services across the UK. Local authorities will continue to receive additional income through the Extended Producer Responsibility scheme for packaging.” The total Extended Producer Responsibility funding announced for 2025/26 was £3.074m, with an allocation of £3.145m in 2026/27. Allocations for future years have yet to be announced.

Financial Implications		
Fund	Description	Value £m
Capital	Vehicles x 5 (£0.220m each)	1.100
	55ltr Household container x 57,500	0.433
	240ltr Communal bins x 2000	0.036
	Total	1.569
Revenue	Staffing - 4 rounds plus 20% cover (£0.165m per round plus 3% inflation)	0.700
	Annual Fleet Maintenance including 3% inflation	0.077
	Replacement Container/bin Stock	0.010
	One off Delivery and Communications costs (2026/27 only)	0.120
Total		0.907

11. Timetable for Implementation

Action	Period
Market engagement with detailed vehicle fleet specification and procurement.	Jul-Nov 25/ Completed
Place order for vehicles	Dec 25
Place order for waste containers	Jul 26
Recruitment of driving staff	Jul 26
Procurement of container delivery partner	Sep 26
Commence comms campaign	Oct/Nov 26
Recruitment of loading staff	Dec 26
Household container delivery	Jan/Feb 27
Go Live	April 27

12. Project Risks & Mitigation

Risk	Mitigation
Delays in container procurement/delivery due to national demand	Early tendering and collaboration with regional and re3 partner councils
Long lead times for vehicles due to national demand	Early Procurement of vehicles
Low Participation	Pre-roll out engagement with residents and landlords
Resident confusion over new rules	<ul style="list-style-type: none"> Online bin calendar updated to reflect new rounds Pre-roll out engagement with residents and landlords Phased comms, visuals and translations Targeted comms, incentives etc in areas of low participation
Risk of being deemed not efficient/effective by packaging authority – resulting in an improvement plan with a future risk of reduced payments (max 20%)	Having a clear route to compliance and having a strong communications campaign before during and after roll out to maximise participation.
Risk of judicial review	Having a clear and timely route to compliance defined
Future drop in value of EPR payments	This is a market risk where suppliers improve and there is less money in the pot for distributing. Having a clear scheme that maximises participation and diversion will contribute towards mitigating the risk of future income loss from the packaging scheme.
Round overrun	Minor rescheduling after 8 weeks with resilience capacity tested and retained
Vehicle downtime	Maintenance SLA and reserve vehicle fleet, with access to hire
Worker safety (noise)	Adopt best practice safety practices, with robust management compliance checks and annual programme of health monitoring in place,

13. Background Papers

13.1. There are none.

Policy Committee

17 December 2025



Reading
Borough Council

Working better with you

Title	Reading Economic Development Framework (Reading EDF)
Purpose of the report	To make a decision
Report status	Public report
Executive Director/ Statutory Officer Commissioning Report	Emma Gee, Executive Director DEGNs and Nigel Horton-Baker, Chief Executive REDA
Report author	Nigel Horton-Baker, Chief Executive REDA
Lead Councillor	Cllr Liz Terry, Leader of the Council
Council priority	Secure Reading's economic & cultural success
Recommendations	<p>That Policy Committee:</p> <ol style="list-style-type: none"> 1. Notes that the new Reading Economic Development Framework 2025-35, was co-created by Reading Borough Council and Reading's Economy and Destination Agency (REDA) with support of consultants EMGT, commissioned by REDA. 2. Endorses the draft Reading Economic Development Framework 2025-35 attached at Appendix 1 and described in the report. 3. Requests Officers of the Council and REDA to produce an implementation plan based on the actions identified in the Economic Development Framework and to report progress to the Policy Committee annually.

1. Executive Summary

- 1.1. On 3 June 2025, Policy Committee received and approved a report outlining the business case and methodology for a new Reading Economic Development Plan. The plan, co-created by REDA and Reading Borough Council, builds on the existing Powered by People strategy developed during the COVID-19 pandemic.
- 1.2. The Economic Development Framework (EDF), outlined in this report and attached, provides a strategic blueprint for delivering sustainable growth, prosperity, and inclusion across Reading over the next 10 years, with specific actions outlined for the first 5 years.
- 1.3. The Framework was brought together over the last 6months using the most recent sources of private and public sector data available. However, we have now received the new Index of Multiple Deprivation (IMD) 2025. Officers are analysing this Index in detail and while we don't believe it will materially change the priority to reduce social inequality and inclusion

among some communities of need and place, it will be used to inform the implementation plan on when, what and where we undertake the proposed interventions to have the most beneficial impact on Reading residents.

- 1.4. The Framework builds on previous strategies, aligns with other related national and local plans and prepares Reading for anticipated geo-political and economic shifts.
- 1.5. Reading's Economy and Destination Agency (REDA) and Reading Borough Council are the lead agencies who will oversee the implementation of plans and projects that will:
 - 1.5.1. Promote investment and creation of high-value jobs in emerging technologies, green sectors and growth industries.
 - 1.5.2. Reduce social isolation and long-term unemployment through inclusive economic participation.
- 1.6. The framework identifies eight priority interventions focused around four thematic pillars:

Pillar	Priority Interventions
Inclusive Reading	<ul style="list-style-type: none">• A levelled-up skilled workforce• Addressing inequalities
Smart and Sustainable Reading	<ul style="list-style-type: none">• Boosted investment in Reading's key sectors.• Enhancing Reading as an Advanced Technology Economy
Destination Reading	<ul style="list-style-type: none">• Town Centre Placemaking Blueprint• Animation of Priority Locations
Reading City Region	<ul style="list-style-type: none">• Successfully Funded Transport Infrastructure• Devolution Plans and Proposals & Coordinated Delivery

2. Policy Context

- 2.1. The Reading EDF has been developed as a strategic response to the current Labour Government's Economic Growth agenda as set out so far in the:
 - Invest 2035: the UK's Modern Industrial Strategy
 - Get Britain Working White Paper
 - Employment Rights Bill
 - English Devolution White Paper
- 2.2. The English Devolution White Paper is particularly significant, as the creation of a new Mayoral Authority could unlock additional funding streams and powers to drive economic growth. Reading must position itself strategically within this evolving landscape to secure these opportunities and deliver sustainable economic growth.
- 2.3. The Reading EDF, along with a refresh of the Reading 2050 Vision (due March 2026), will situate Reading within a wider economic geography. This aligns with the delivery of the Berkshire Economic Strategy (agreed by RBC and owned by the Berkshire Prosperity Board) and support residents and businesses within a strategic authority area context.
- 2.4. Reading is already well placed, at the heart of the Government's growth agenda and predicted to be the fastest growing economy in the country over the next three years. The Framework will enable Reading Borough Council and REDA, working with partners, to lead on shaping economic development policy and plans, and deliver programmes and

projects that add value to both the Borough and wider economy. In the short term, this will involve collaboration with neighbouring Berkshire authorities, and in the longer term, with authorities beyond Berkshire. The aim is to accelerate growth while addressing labour market imbalances and reducing inequalities.

3. The Proposal: Readings Economic Development Framework 2025-2035 Summary – see Appendix 1 for complete document

3.1 Methodology

- 3.1.1. An extensive evidence base has been created to inform the framework using recognised national and local sources, as well as first hand research. Primary research included a mapping of Grade A office development across Reading business parks and town centre locations as well as comparator analysis with a range of similar urban economic centres across the South-East.
- 3.1.2. The Index of Multiple Deprivation 2019 was used to prepare the Framework however we have now received the 2025 Index, with data at a Local Super Output Area level (LSOA). The new information suggests some uplift in Reading's over all national position. Most significant is that there are now no Local Super Output Areas in the bottom 10% of deprived places nationally compared with 5 in 2019. However, some LSOA's are still amongst the most deprived in the country based on some key measures including education, skills and training and crime. We don't believe the 2025 materially changes the proposed interventions with the aim of helping more residents benefit from Readings strong economy. We will use the new data to inform the how, where and when we implement the proposed interventions set out in the Framework and update the Framework and evidence base.
- 3.1.3. These sources of information will be tracked for future changes and that will impact our priorities and interventions on an annual basis. In developing the EDF, a SWOT (strengths, weaknesses, opportunities and threats) analysis was undertaken. Key priority sectors aligned to the New Industrial Strategy were defined alongside a place-based approach of needs across Reading and population growth. The analysis addressed social inequality and environmental challenges faced by Reading, focusing on what business could do to address these issues.
- 3.1.4. The result is a series of strategic challenges supported by corresponding strategic interventions. The Framework will be managed and monitored flexibly to make the best use of available resources and remain forward-thinking. It will:
 - Recognise that while we cannot control the economy, businesses drive job creation and career opportunities
 - seize unforeseen opportunities and new resources through a 10-year plan, with a formal review after five years.
- 3.1.5. Once the Economic Development Framework is adopted, an implementation plan will be produced to take forward the actions identified in the first 5 years of the 10-year framework document. This will be budgeted for annually and opportunities will be taken to secure new funding as opportunities arise. Robust monitoring and evaluation will be implemented to track progress against strategic interventions and detailed plans. Progress reports will be made to the Policy Committee annually. Every effort will be made to build alliances and deliver joint projects through the Berkshire Prosperity Board, maximising impact and ensuring the most effective use of resources.

3.2 Purpose

3.2.1 The core purpose of the proposed Economic Development Framework (EDF) is to define how the resources of the Council and REDA, with their local and sub-regional partners and available government funding, can be marshalled to bring lasting prosperity to the Reading economy and its residents. It will define the way forward through critical interventions to address Reading's economic development issues and opportunities over the next 5 years of this 10-year framework, aligned to the UK Invest 2035 Modern Industrial Strategy.

3.2.2 To do this, the framework sets out priorities, objectives and outcomes that will protect Reading's competitive advantages, define where and how it will advance economically and how it will seek to create opportunities and raise living standards for all its residents.

3.3 Vision

3.3.1 The Reading EDF lies at the heart of the 'Reading Smart and Sustainable 2050 City Vision' to help us to establish Reading as "an internationally recognised and economically successful city region. A city where low carbon living is the norm, and the built environment, technology and innovation have combined to create a dynamic, smart and sustainable city with a high quality of life and equal opportunities for all".

3.3.2 The EDF aligns with the themes of the Reading 2050 Vision which aims to see Reading evolve as a driving force supporting environmentally sustainable and inclusive growth and prosperity across the region. It will maintain a lead in its own home grown grouping of advanced technologies whilst serving as the scale up hub of southern England, supporting the innovation and growth of adjacent urban areas through its digital and professional services capabilities and through purposeful links with Oxford and the M4, M3 and M40 research corridors.

3.4 Strategic context

3.4.1 Reading's strong economic foundations and its strategic position as Berkshire's economic capital are well documented. Equally recognised are the deeply entrenched labour market challenges and pockets of deprivation that have shaped successive economic development strategies led by the Council and its partners, including Reading UK, now REDA, since 2007.

3.4.2 The case for adopting a new Economic Development Framework is now more compelling, driven by significant shifts since the last Powered by People strategy, which was an emergency response to the COVID-19 pandemic, global recession, and subsequent geopolitical instability. These global events have damped business investment, reduced household welfare, and transformed workforce practices and town centres, while simultaneously accelerating technological change and advancing net zero goals. The key shifts addressed by the EDF are outlined in the table below.

Reading's Economic Shifts Since 2020		
Theme	Key Developments	Strategic Implications
Labour Market & Workforce	Pandemic-induced early retirements and youth inactivity have led to labour shortages, especially in entry-level and intermediate roles.	Urgent need for workforce re-engagement, upskilling, and mental health support.

Reading's Economic Shifts Since 2020		
Theme	Key Developments	Strategic Implications
AI & Digital Innovation	AI has boosted productivity but raised concerns over job displacement.	Policy frameworks must balance innovation with inclusive employment strategies.
Global Trade & Geopolitics	Brexit and the Ukraine conflict have disrupted trade and driven inflation; defence spending is rising.	The country needs to be more resilient with businesses adapting their international and national strategies and safe-guarding against geopolitical volatility.
Government Policy	The Labour-led <i>Invest 2035</i> strategy prioritises high-growth sectors aligned with Reading's strengths.	Opportunity to leverage national funding and policy alignment for local innovation and clean energy.
Local Social Interventions	RBC is seeking to reduce inequality through targeted education, health, and employment programmes.	Place-based strategies are essential to close persistent deprivation gaps.
Creative Sector Growth	Shinfield Studios has catalysed investment and workforce development in film and TV.	Reading is emerging as a regional creative hub with potential for clustering and export growth.
Climate Science Leadership	Reading University's global climate science reputation is attracting interest from climate-risk industries.	Potential to develop a climate-tech cluster and attract insurance, data, and sustainability firms.
Healthcare Infrastructure	Royal Berkshire Hospital improvements delayed.	A longer time scale to improving the Royal Berkshire Hospital facilities impacting on local residents.
UK Economic Conditions	Post-Covid recovery has been uneven: GDP growth is sluggish, inflation volatile, and investment subdued.	Reading must buffer national headwinds through local sectoral strengths and targeted interventions.

3.5 Opportunities

3.5.1 According to consultants Ernst and Young, Reading is projected to be the fastest-growing economy in the UK over the next three years (2025–2028). Strategically located at the heart of Berkshire and the Thames Valley, and within easy reach of London and Heathrow Airport, Reading offers exceptional connectivity. The EDF sets out a wide range of opportunities for transformational investment over the next decade, driving sector growth, job creation, housing delivery, and infrastructure improvements in both the short and medium term.

3.6 Reading Local

3.6.1 Innovation & Knowledge Economy:

- Expansion of the Defence Industries
- Explosion of AI and Sector Strength Locally
- Opening of Shinfield Studios

3.6.2 Urban Transformation & Placemaking:

- Minster Quarter Redevelopment
- Town Centre Housing Schemes & Population Growth
- Development of the Central Business District
- Redevelopment of Vacant or Under-utilised HQ Office Buildings

3.6.3 Leisure, Events & Visitor Economy:

- Redevelopment of Reading FC Site
- Redevelopment of Reading Gaol

3.6.4 Infrastructure & Public Services:

- Re-siting and Development of Royal Berkshire Hospital
- The Western Rail Link to Heathrow (WRLtH)
- New Park and Ride Facilities

3.7 Reading City Region

3.7.1 Potential for a combined strategic authority, to enable residential, commercial and enabling infrastructure that will attract and create economic growth

3.7.2 Building on Reading's International Affinities:

- *Digital & Tech Clusters.*
- *Connectivity Infrastructure.*
- *Creative & Cultural Industries.*
- *Advanced Manufacturing & MedTech.*
- *Life Sciences & R&D.*
- *Global HQs & Regional Hubs.* Advanced Technology Drivers in Reading
- AI & Research Leadership.
- Tech Ecosystem Development.
- Strategic Enablers. – skills, partnership, industry links, business support and location

3.7.3 Strategic Sectors:

The following sectors are shaping Reading's economic trajectory.

- Defence Sector.
- Film & TV Production.
- Professional Services.
- Climate Change Expertise.

3.8 Challenges to achieving Reading's sustainable economic growth

3.8.1 Reading exhibits a paradox: It has the highest workplace earnings in the Thames Valley, yet low resident earnings, with 47% of workers commuting in and 46% of residents commuting out. Reading's occupational structure is characterised by shortages in intermediate-level roles, underrepresentation in managerial, skilled trades, and service occupations and overrepresentation in elementary roles compared to regional and national averages.

3.8.2 Major drivers of change are transforming the future of work. AI, data analytics, cloud computing, and emerging sectors such as genomics and blockchain are reshaping job demands. Automation is reducing physical presence needs but increases cognitive task complexity. 39% of current skillsets are projected to become obsolete by 2030 (WEF Future of Jobs Report 2025), yet employers are investing less in training which is worsening the situation (DfE Employer Skills Survey 2022). Upskilling the local workforce, especially moving Level 2 qualified residents to Level 3+, could address these demands and dramatically improve productivity, income levels, economic performance and environmental sustainability.

3.8.3 The key challenges to be addressed in the EDF, based on the evidence are:

- 3.8.3.1 Addressing Labour Market Imbalances
- 3.8.3.2 Addressing Labour Market Inequalities
- 3.8.3.3 Maintaining and Developing Readings' Key Sector Strengths
- 3.8.3.4 Reading's Readiness for the Next Generation Industries
- 3.8.3.5 Priorities for Place Making, Urban Uplift and Animation
 - o Keeping Reading Town Centre Attractive to Business.
 - o Embedding Population Growth.
 - o Achieving Lasting Regeneration in South Reading.
- 3.8.3.6 Promoting Reading Successfully as a Destination
- 3.8.3.7 Making the Case for Strengthened Public Transport & Active Travel
- 3.8.3.8 Positioning Reading in a Larger Geographical Context

3.9 Priorities to unlock Reading's sustainable economic growth

3.9.1 The success of the EDF, and its ability to attract both public and private sector investment, will depend on identifying the right programme of strategic interventions. These will be planned for delivery over the next five years and extended through to 2035, directly addressing the key challenges identified. Our commitment to implementing this programme will be unwavering. The interventions proposed in the EDF are as follows:

A. An Inclusive Reading

Intervention No. 1: A Levelled Up Skilled Workforce for Reading

Outcomes Sought:

- Increase in the number of Reading residents securing higher-paid jobs; Improved productivity within the local workforce; Reduced peak-time commuting by supporting more residents to work locally; Wider opportunities for young people; Addressing inequalities and meeting SME skills demand.

Intervention No. 2: Reduced Inequalities in Education, Skills and Employment Opportunities

Outcomes Sought:

- Wider and deeper connection with communities conducive to lasting measurable improvements in health, income equality, education, employment access and social conditions.

B. Smart and Sustainable Reading

Intervention No. 3: Boosted Investment in Reading's Key Sectors

Outcomes Sought:

- Reading regarded as a hub for scientific R&D and innovation-driven companies, film, TV production, advanced digital and low-carbon technologies whilst enhancing its competitive advantages complementary to the Oxford-Cambridge Arc and M4 research corridor into the heart of London.

Intervention No. 4 Enhancing Reading as an Advanced Technology Economy

Outcomes Sought:

- Reading established as a powerful cluster of 21st Century innovation alongside and complementing the Oxford-Cambridge Arc and M4 Research Corridor, maintaining its distinct identity as a knowledge based commercial location ideal for scale-up and onward

expansion of science-based growth industries. Clustering of AI firms supported by a digitally enabled workforce.

C. Destination Reading

Intervention No. 5 Place Making and Enlivening Reading

Outcomes Sought:

- An enlivened town centre business district, attractive to skilled workers given Return-to-Office opportunities. The creation of a more liveable town centre embedding the growing residential population through enhanced nightlife, food and beverage and cultural, sports, leisure and entertainment venues.

Intervention No 6 Development and Promotion of Destination Reading

Outcomes Sought:

- Reading widely recognised as an attractive place of interest to visitors; Reading positioned as the number one choice for relocating businesses.

D. City Region Reading

Intervention No. 7: Accelerated Transport Infrastructure Funding

Outcomes Sought:

- Support the business case being developed across Berkshire for a rail link between Slough and Heathrow reducing congestion and travel time to Heathrow from Reading.
- Support an active travel network including enhanced bus rapid transit networks and increased park-and-ride capacity, low carbon rail links providing rapid, high quality and seamless connections between Reading's residential districts, employment centres and strategic transport interchanges including Heathrow and Gatwick airports.
-

Intervention No. 8: Integrated Devolution Plans and Proposals

- Outcomes Sought: Create of a Thames Valley strategic mayoral authority presents a major opportunity to strengthen Reading's economic position within a key "diamond of activity" stretching from Swindon to West London and from the Oxford-Cambridge Arc to the M3 corridor with Reading at its heart.

3.10 Delivering the Interventions

3.10.1 To deliver the priority interventions and actions the following conditions will need to be put in place:

- a. **Preparing detailed plans and budgets**, initially based on existing financial commitments by the Council and REDA, plus support we can secure from the private sector and local partners. Action plans will be prepared further to the adoption of the EDF based on current resources available and known Government devolved funds.
- b. **Getting priority interventions funded**, especially being prepared for emerging government and devolved authority funding streams with business cases, partnership arrangements and supporting activities.
- c. **Governance, Coordinating & Monitoring** to ensure continuity and efficiency the EDF will:
 - Use existing RBC cross-departmental programme management Boards and area partnerships, ensuring strategic alignment with statutory plans and policies referenced in the EDF.

- Work with the private sector through the office of Readings Economy and Destination Agency and its private sector led Board, and BID Committees.

d. **Broad engagement with local businesses** is critical for successful delivery and uptake. This will require intensified outreach to employers across all sectors, building on existing speaking engagements and networking events, and creating clear pathways for REDA, RBC, and partners to connect with businesses. Such engagement will foster collaboration on support schemes and strategic initiatives.

e. **Sub-regional Integration of Initiatives** to maximise impact and funding potential there will be a need to Integrate selected initiatives with adjacent boroughs and districts, position Reading within the emerging devolved authority grouping and leverage regional partnerships to strengthen bids and delivery capacity. This will be undertaken initially through:

- Membership of the Berkshire Prosperity Board (BPB) with lead roles allocated through RBC. Officer participation in the BPB themed working groups and work on coordinated devolved funding programme, including UK Shared Prosperity Fund, local Get Britain Working plan and Connect to Work supported employment. programme
- Coordinated planning by the six Berkshire Place Directors
- REDA's lead role as a member of the Berkshire Economic Development Officers Group: researching economic development capacity, building options, monitoring work of the Berkshire Business and Skills Hub (Formerly Berkshire LEP) supporting the Berkshire Local Visitor Economy Partnership and planning the delivery of the Berkshire Economic Strategy through joint projects.

4. Contribution to Strategic Priorities

- 4.1. The new Reading EDF aligns with and supports the Council's Corporate Plan 2025-28
- 4.2. The Council's Corporate Plan vision to "help Reading realises its potential and to ensure that everyone who lives and works here can share the benefits of its success."
- 4.3. The core purpose of the proposed Reading EDF is to bring lasting prosperity to the Reading economy and its residents. The EDF lies at the heart of the 'Reading Smart and Sustainable 2050 City Vision' to help us to establish Reading a city where low carbon living is the norm, and the built environment, technology and innovation have combined to create a dynamic, smart and sustainable city with a high quality of life and equal opportunities for all".
- 4.4. The table below shows how the REDF aligns and delivers on the Council's corporate priorities.

RBC Corporate Plan Priorities	Alignment and delivery by the Reading EDF
Promote more equal communities in Reading	<p>Intervention 1 aims to: create a levelled up skilled workforce for Reading</p> <ul style="list-style-type: none"> • Help the Council take back more control of the strategic planning and delivery of the skills needs of residents and businesses • Attract resources to expand training provision <p>Intervention 2 aims to: reduce inequalities in education, skills and employment opportunities</p> <ul style="list-style-type: none"> ▪ Promote a healthier workforce and labour force ▪ Develop closer links with employers to encourage a more circular economy, and increased social value provision • Connect businesses with local schools • Support the aim of raising educational achievement for all and supporting those with multiple needs, back into the workplace
Secure Reading's economic and cultural success	<p>Intervention 1 aims to: create a levelled up skilled workforce for Reading</p> <ul style="list-style-type: none"> • Aligning education and skills attainment with growth sectors and occupations.

	<p>Intervention 3 aims to boost investment in Reading's key sectors</p> <p>Intervention 4 aims to enhance Reading as an advanced technology economy</p> <ul style="list-style-type: none"> • Both also aligned to the Government's New Industrial Strategy 2035 and the Berkshire Economic Strategy. <p>Intervention 5 aims to support place making and enlivening Reading</p> <ul style="list-style-type: none"> • Supporting the delivery of the Councils Town Centre Strategy and providing added value Business Improvement District services. Improving the cultural offer. • Supporting lasting regeneration of deprived communities identified in the 2025 Index of Multiple Deprivation and retaining a local workforce through provision of affordable housing. <p>Intervention 6 aims to: support the development and promotion of destination Reading.</p> <ul style="list-style-type: none"> • Attracting international and national visitors to Readings cultural and historic and environmental assets. • Creating more tourism related jobs and businesses for and by local people. <p>Intervention 7 aims to: accelerate sustainable transport infrastructure funding</p> <ul style="list-style-type: none"> • Implementing strategically important economic transport infrastructure
<p>Deliver a sustainable and healthy environment and reduce Reading's carbon footprint</p>	<p>Intervention 7 aims to: accelerate sustainable transport infrastructure funding.</p> <ul style="list-style-type: none"> • Work toward the Council' net zero ambition by involving more businesses in carbon reduction, energy efficiency and mitigation of the impact of climate change. • Promote a 'Green' Town Centre
<p>Safeguard and support the health and wellbeing of Reading's adults and children</p>	<p>Intervention 2 aims to: reduce inequalities in education, skills and employment opportunities.</p> <ul style="list-style-type: none"> • Improve the health and confidence of residents in priority areas • Develop the capacity of community organisations that play . vital role in generating positive outcomes for residents.
<p>Ensure Reading Borough Council is fit for the future</p>	<p>Intervention 8 aims to: support an integrated devolution plans and proposals</p> <ul style="list-style-type: none"> ▪ Position Reading's strengths and needs in the context of wider debates on local government reorganisation, devolution, and strategic economic development planning.

5. Environmental and Climate Implications

5.1 Environmental and climate considerations will be a key consideration of all eight strategic priorities and plans covering the development of 'Green' skills to:

- 5.1.1 Support the understanding of all employees of nett zero objectives.
- 5.1.2 Support businesses reduce their carbon footprint and mitigate climate change.
- 5.1.3 Support local businesses to develop and deliver new low carbon products and service, green tourism, arts and culture,
- 5.1.4 Support construction and retrofitting of local housing and commercial buildings.
- 5.1.5 Involve residents in environmental projects to develop access to jobs.
- 5.1.6 Promote research and innovation in low carbon technologies and climatology.

- 5.1.7 Develop a low carbon town centre through energy measure and recycling.
- 5.1.8 Attract new green, low carbon sector businesses.
- 5.1.9 Promote Reading as a low carbon city to visit, work, enjoy, live, educate and do business.
- 5.1.10 Engage business in the agenda of the Reading Climate Change Partnership
- 5.1.11 Increase economic output and productivity through low carbon forms of transport and transport infrastructure.
- 5.1.12 Lead on the development of sustainable economic growth across Berkshire.

6. Stakeholder and Community Engagement

- 6.1. Extensive 1 to 1 Interviews have taken place to collate evidence and identify the key challenges and interventions. A core group of officers have had site and commented on numerous drafts of the document. This work spanned the corporate team, education and young people services, health housing and leisure and adult education, planning, transport, town centre management and officers involved in area-based community partnership projects especially in South Reading.
- 6.2. Members and the REDA Board and the BID Committee have also been involved in identifying the challenges and solutions. REDA has reached out to its Reading Business Network including a 1-hour workshop attracting forty-two local businesses and independents. PWC have also provided advice and a critique of the draft framework underpinned by their well-regarded Good Growth annual reports.
- 6.3. All relevant current and existing stakeholder engagement by the Council and REDA has been utilised in drafting the EDF. Further development of the programmes and plans will also involve further stakeholder, community and beneficiary engagement.
- 6.4. The REDA Board met on 5th November and unanimously agreed to adopt the Reading EDF 2025-35 and recommend it to the Reading Borough Council to take forward as a matter of urgency.

7. Equality Implications

- 7.1. A key focus of the Economic Development Framework will be tackling the imbalance between a dynamic local economy and the reality that some residents remain poorly positioned to benefit from the opportunities Reading's economy presents.
- 7.2. Two of Eight priority programmes in the EDF are dedicated to creating a 'Levelled Up Skilled Workforce' across Reading that will:
 - 7.2.1 Reduce peak-time commuting by supporting more residents to work locally.
 - 7.2.2 Increase in the number of Reading residents securing higher-paid jobs
 - 7.7.3 Provide opportunities for young people, address inequalities and meet SME skills
- 7.3. Reducing Inequalities in Education, Skills and Employment Opportunities across Reading that will:
 - 7.3.1 Create a wider and deeper connection with communities conducive to lasting measurable improvements in health, income equality, education, employment access and social conditions.

8. Legal Implications

- 8.1. There are no legal implications arising from this report.

9. Financial Implications

- 9.1. There are no direct financial implications of this report, the existing budget arrangements will continue. It is understood that REDA will use existing budgets to support the Framework in the short term and that there are no expectations on the Council to fund this at present, though

officers will work with REDA to exploit any external sources of funding through bids to Government and or via the devolved authority and new Mayoral arrangements in the future.

10. Timetable for Implementation

10.1. The EDF covers the period 2025-35. The planning, monitoring and management of the adopted Reading EDF 2025-35 will be integrated into current arrangements by the Council, working closely with REDA and with regional economic development structures. The 8 Priority interventions are intended to cover the first 5 years of the EDF, subject to annual reviews

11. Background Papers

Appendices

1. Appendix 1 - Economic Development Framework Draft



Reading Economic Development Framework

V10 Draft November 11th 2025 Long Version

Prepared for

Reading's Economy and Destination Agency (REDA)

and

Reading Borough Council

By

Economic Growth Management

CONTENTS

	Page
READING: KEY FACTS	1
1. Purpose of the Economic Development Framework	2
1.1 Aim of the Economic Development Framework	2
1.2 Areas for Development in the Framework	2
2. Summary Context and Issues	3
2.1 Thrust of the Economic Renewal Strategy 2020-2023	3
2.2 Key Achievements	3
2.3 What Has Happened Since 2020	3
2.4 How the World May Look in 2035	4
3. Reading's Opportunities	6
3.1 Prospective Transformational Investments	6
3.2 Reading City Region	7
3.3 Building on Our International Affinities	7
3.4 Advanced Technologies	9
3.5 Defence Sector	9
3.6 Film and TV Production	10
3.7 Reading's Professional Services Sectors	10
3.8 Climate Change Expertise	11
3.9 Recycling and Redevelopment of Disused HQ Office Buildings	12
4. Key Challenges Facing Reading	12
4.1 Addressing Labour Market Imbalances	12
4.2 Addressing Labour Market Inequalities	13
4.3 Maintaining and Developing Readings' Key Sector Strengths	15
4.4 Reading's Readiness for the Next Generation Industries	17
4.5 Priorities for Place Making, Urban Uplift and Animation	19
4.6 Promoting Reading Successfully as a Destination	21
4.7 Making the Case for Strengthening Public Transport & Active Travel	22
4.8 Positioning Reading in a Larger Geographical Context	23
5. Vision, Aims and Priorities	25
5.1 Vision for Reading over the Coming Ten Years	25

5.2	Aims and Priorities	21
6. Priority Interventions		26
Intervention No. 1:	A Levelled Up Skilled Workforce for Reading	27
Intervention No.2:	Reduced Inequalities in Education, Skills & Employment Opportunities	28
Intervention No. 3:	Boosted Investment in Reading's Key Sectors	29
Intervention No. 4:	Enhancing Reading as an Advanced Technology Economy	30
Intervention No. 5:	Addressing Priorities for Place Making and Urban Uplift	31
Intervention No. 6:	Animation of Reading's Attractions. Assets & Communities	32
Intervention No. 7:	Accelerated Transport Infrastructure Funding	33
Intervention No. 8:	Integrated Devolution Plans and Proposals	34
7. Supporting Conditions for Economic Growth		35
7.1	Getting the Priority Interventions Funded	35
7.2	Governance, Coordination and Monitoring	35
7.3	Sub-regional Integration of Initiatives	35
7.4	Wide Engagement of Local Businesses	35
7.5	Supporting Economic Development Functions	36
8. Strategic Alignment		37
8.1	Relevant Strategic Policies	37
8.2	Alignment of Proposed Interventions	43
9. Action Plan		47

Reading: Key Facts

Issue	Reading Positives	Reading Negatives
Reading Labour Market	40% of working age residents work in professional occupations	Residents under-represented in managerial, skilled, caring and service roles compared to the regional average, but over-represented in elementary occupations
	Average earnings by place of work: £861 pw	Average earnings by place of residence: £776 pw
Inequalities	Employment rate, Reading Borough: 85%	Employment rate: Church Ward 57% Whitley Ward 64% Norcot Ward 63% Southcote 60% Coley Ward 65%
	£30m spent on mainstream voluntary and community services	Extent of capabilities, connections and potential of the smaller community organisations not fully understood
Readings Key Sectors	Net increase in jobs 2018 -2023 ICT: 6000 Professional services: 5000 Public sector jobs created: 4000	Net loss service sector jobs 2018-2023: 6,000
Advanced Technologies	Job growth in scientific R&D 2018-2023: Reading 500	Job growth in scientific R&D 2018-2023: Oxford 2,000 Cambridge 2,000 Hammersmith & Fulham 1,000 Hounslow 700
Reading Town Centre	Two Business Improvement Districts drive town centre vibrancy	Net loss of 4000 retail jobs 2018-2023
Culture, Leisure and Tourism	Accommodation and food services jobs created 2018-2023: 1000	Net loss of arts and entertainment jobs 2018-2023: 1000
Reading Transport	Significant progress in introducing electric buses and car-sharing. Walking & Cycling now at modal share 33% and Public Transport 42%	More rapid transit and park-and-ride capacity still needed to remove congestion. Car usage remains at modal share of 25%.
Reading as a Pivotal Location Potential in a Devolved City Region	GVA annual growth forecast by EY by city Reading 2025-2028: 2.2% Rank: No. 1 in UK. UK forecast annual employment growth by EY 2025-28: 1.1% . Rank: No. 5 in UK	Some Reading wards have high rankings in child poverty and low rankings in education attainment and employment.

1. Purpose of the Economic Development Framework

Reading's Economy and Destination Agency (REDA) and Reading Borough Council have joint aims for a forward-thinking, comprehensive economic development framework. This sets out the blueprint for delivering sustainable growth, prosperity and inclusion in Reading over the coming ten years, specifying required actions over the coming 5 years. It highlights the opportunities to be grasped and the major challenges currently faced, demonstrating how Reading can build on its previous economic development strategy and prepare Reading for changes in the local geo-political landscape over the next few years. To that end the thematic aims of Inclusive Reading, Smart and Sustainable Reading and Destination Reading continue to be adopted, complemented by a fourth: Reading City Region. There are two main strands to this economic development framework.

- 1) Promoting investment and the creation of high value jobs from the emerging technologies and growth industries.
- 2) Reducing the numbers of those who are suffering socially isolated and long-term unemployed.

The way forward focuses on eight priority intervention projects addressing the need for raising local skills, addressing inequalities, boosting Reading's growth sectors and its emerging industries, essential place making and infrastructure upgrades and the supporting actions to deliver them. These define the pivotal role of REDA and Reading Borough Council in initiating, leading and orchestrating the required actions in close conjunction with its partner bodies and how they will help fulfil the aims of the Council Plan, the Berkshire economic development strategy and the government's industrial strategy: Invest 2035.

Delivering environmental sustainability is a supporting aim of this framework and is addressed through proposals for boosting green economy skills, targeting the growth of advanced net zero industries, proposals enabling more active travel and measures to helping local businesses to operate more sustainably.

Set out in this framework are the following topics:

- a) The strategic context and Issues
- b) Opportunities for growth and change
- c) An overview of the challenges for achieving economic growth within the borough
- d) Strategic aims for delivery of robust economic growth
- e) Intervention priorities for bringing forward the economic growth opportunities
- f) Supporting measures to assure balanced and sustainable economic growth
- g) Alignment of intervention priorities with key strategic policies.

2. Summary Context and Issues

2.1 Thrust of the Current Economic Renewal Strategy 2020-2025

The "Powered by People" strategy, prepared by REDA, has played a crucial role in Reading's post-pandemic recovery, balancing immediate support with long-term economic resilience. It set out three overarching aims for post-COVID recovery:

- Inclusive Reading: boost local employment, skills and training to support people into jobs.
- Smart and Sustainable Reading: strengthen the economy and city centre for long-term resilience.
- Destination Reading: promote Reading as a great place to live, work, visit and do business.

2.2 Key Achievements

REDA's emphasis on employment, business support, and infrastructure development helped stabilize the local economy, alongside the Council's successes in channelling government COVID Rate Relief to the businesses that needed it, and to draw down additional COVID mitigation funds for the high street and public places where it was needed. However, full recovery remains an ongoing process.

These achievements reflect strong business stabilisation and job creation, progress in infrastructure and placemaking, emerging skills ecosystem with targeted sectoral support and a growing start-up and creative economy, though retail and hospitality remain fragile.

2.3 What Has Happened Since 2020

Reading's economic landscape has undergone significant transformation since 2020, shaped by global shifts, policy changes, and demographic trends. The borough now faces key challenges and opportunities across several areas.

- Labour Market & Workforce. The Covid pandemic led to shifts in working practices, increased early retirements among over-55s, and rising economic inactivity among young people due to mental health and disability concerns, resulting in labour shortages.
- AI Adoption & Digital Innovation. AI has enhanced efficiency across sectors, bringing economic benefits but requiring policy safeguards to prevent job displacement.
- Global Trade & Geopolitical Shifts. The ongoing Ukraine conflict continues to impact energy prices and inflation. The UK and European economies are increasing investment in defence, while Brexit and new trade deals require businesses to adapt international strategies.
- Governmental Policy. The Labour-led government's "Invest 2035" strategy prioritizes high-growth sectors, aligning well with Reading's strengths in digital technologies, AI, and clean-energy investment.

Reading Economic Development Framework

- Social & Economic Interventions. The Council is addressing inequality through education, health, skills, and employment initiatives, particularly in Whitley and Church wards.
- Film & TV Production. Shinfield Studios has driven local investment and workforce development, with REDA leading efforts to support trade, education, and networking in the creative sector.
- Climate Change Expertise. Reading University's renowned climate science community could attract investment from industries focused on climate risk, including insurance.
- Royal Berkshire Hospital. Despite its economic importance, the hospital faces pressing safety concerns and seeks alternative funding solutions after government downgrading of its transformation priority.
- UK Economic Performance. Despite indications of following since the Covid era, most indicators show limited growth otherwise deterioration of conditions in the UK economy in recent years.

	Gross Domestic Product (GDP) Growth Rate	Unemployment Rate	Inflation Rate (CPI)	Bank of England Base Interest Rate	Retail Sales Volume Growth	Consumer Confidence Index	Business Investment	Trade Balance
2020	-9.30%	4.50%	0.90%	0.10%	-1.90%	-26	-10.40%	+£4.4 bn
2021	7.50%	4.80%	2.50%	0.25%	5.10%	-14	5.60%	-£19.3 bn
2022	4.10%	3.70%	11.10%	3.50%	-4.10%	-41	3.20%	-£23.5 bn
2023	0.50%	4.20%	6.70%	5.25%	-2.90%	-30	1.00%	-£21.5 bn
2024*	1.20%	4.00%	3.00%	4.75%	0.70%	-20	2.50%	-£28.0 bn

Sources: Office for National Statistics (ONS); Bank of England; GfK Consumer Confidence; HM Treasury

* Some figures are estimates

2.5 How the World May Look in 2035

By 2035, England's economic landscape will have evolved significantly, redefined and shaped by several influential factors.

- Widening Role of Cities. Urban centres are evolving into multi-functional hubs, with a shift from retail-dominated spaces to a mix of leisure, culture, housing, business, and civic amenities and are becoming places of growing significance.
- Trade & Global Relations. Tariffs and trade agreements with major partners like the US and EU will continue to impact growth, influencing business strategy and investment decisions.
- Political Shifts. Two general elections will have taken place, potentially introducing significant policy changes affecting business regulations, economic activity, and trade dynamics.

Reading Economic Development Framework

- Labour Market & Productivity. Immigration policies limiting low-cost labour will have driven employers to focus more on productivity, automation, and skills development to offset rising labour costs.
- Government Borrowing. High interest costs—potentially double current defence spending - may necessitate alternative models for financing major infrastructure projects.
- Devolution & Regional Development. Local authority restructuring will bring about wider geographical leadership which will unlock investment opportunities and alleviate economic constraints, fostering growth across newly formed sub-regions.
- Sector-Specific Economic Prospects.
 - Technology & AI. The UK is expected to remain at the forefront of AI and digital innovation, with increased automation and cybersecurity investment.
 - Finance & Banking. London will retain its role as a global financial hub, though regulatory shifts and competition from emerging markets may challenge its dominance. Fintech innovations will be crucial.
 - Creative & Media. Film and TV production growth, including Shinfield Studios' expansion, will strengthen the creative economy. Digital content creation and streaming services will continue shaping demand.
 - Healthcare. The UK's pharmaceutical and biotech industries will benefit from ongoing medical research and AI-driven healthcare innovations.
 - Sustainability. The net-zero commitment will drive growth in renewable energy, electric vehicles, and sustainable construction, supported by government incentives.
 - Climate Change Science. The assembly of the largest global concentration of climate scientists at Reading University presents opportunities for the clustering of businesses with a reliance on climate risk data.

As Reading moves forward, shaping a cohesive economic response to these trends will be key. Reading must capitalize on its strengths in technology, creative industries, and sustainability to remain economically resilient. Proactive strategies that align with national and global trends will be essential to securing long-term prosperity.

3. Reading's Opportunities

3.1 Prospective Transformational Investments

There are major transformational investments within Reading either already afoot or with potential to be taken forward in Reading that have major potential impacts on sector growth, jobs, housing and infrastructure.

➤ Innovation & Knowledge Economy

Expansion of the Defence Industries

National investment is driving growth in advanced manufacturing, cyber, and R&D, particularly across the Thames Valley. This is reshaping supply chains and skills demand, with implications for resilience and high-value employment.

Explosion of AI and Sector Strength Locally

Reading is emerging as a UK leader in AI research and application, with strong university-industry linkages. Growth spans health tech, fintech, and logistics, reinforcing the region's innovation ecosystem and digital skills pipeline.

Opening of Shinfield Studios

Europe's largest film and TV production complex is anchoring a creative industries cluster in Berkshire. It's attracting global investment, generating high-skilled jobs, and stimulating growth across hospitality, logistics, and digital content.

➤ Urban Transformation & Placemaking

Minster Quarter Redevelopment

A flagship regeneration scheme delivering cultural venues, housing, and public realm improvements. In parallel with the Hexagon and Broad Street Mall redevelopment, this supports Reading's placemaking strategy and strengthens the cultural economy through heritage-led development.

Town Centre Housing Schemes & Population Growth

High-density residential developments (e.g. Broad Street Mall, Station Hill) are repurposing urban land, increasing housing supply, and supporting town centre vitality. These schemes reshape infrastructure and service demand.

Development of the Central Business District

Centred around Station Hill, Reading's CBD is evolving into a high-density employment and innovation district. It anchors the town's role within the Thames Valley corridor and supports competitiveness in finance, tech, and services.

➤ Leisure, Events & Visitor Economy

Reading Economic Development Framework

Redevelopment of Reading FC Site

Potential multi-use redevelopment of the stadium into a regional hub for conferences, exhibitions, leisure, and hospitality. It could reposition Reading as a destination for large-scale events and diversify its economic base.

Redevelopment of Reading Gaol

Its cultural and tourism potential supports the visitor economy and enhances Reading's appeal as a regional destination.

➤ Infrastructure & Public Services

Re-siting and Development of Royal Berkshire Hospital

A major healthcare infrastructure upgrade presents an opportunity to transform healthcare delivery, drive economic growth and support urban regeneration. It aims to deliver modern, net-zero facilities and transform regional health resilience and workforce planning.

Developing the network of park and ride facilities

This will reduce road vehicles entering the town centre

3.2 Reading City Region

Berkshire, the rest of the Thames Valley and Oxfordshire are currently considering a coalition into a large, combined strategic authority. This presents opportunities for the Greater Reading area (a potential sub-region of the Strategic Authority) to be working with the Oxford - Cambridge Arc in addition to the well-established links with London along the M4 Silicon Valley Corridor leading the UK's economic growth. It provides the conditions for the creation of ambitious growth catalysts and investment magnets. Reading has scope to remove constraints on its local accessibility and to work with neighbouring research corridors to provide scale up space and professional expertise to help technology based start-ups from within this City Region grow and thrive in global markets.

3.3 Building on Our International Affinities

Reading and the M4 corridor has up to now proved highly popular with international inward investing businesses which include companies that contribute fundamentally to Reading's reputation in the following fields.

- Digital & Tech Clusters: Microsoft, Oracle, and Huawei anchor Reading's reputation as a digital powerhouse. The digital sector continues to lead FDI activity, reflecting Reading's strength in tech and innovation.
- Connectivity: Reading continues to attract US investment in cloud, satellite, and AI infrastructure—reinforcing its role as a digital gateway.
- Creative & Cultural Industries: Shinfield Studios' investment is a flagship example of US-led sectoral transformation, with ripple effects across media, hospitality, and logistics.
- Advanced Manufacturing & MedTech: KYMIRA and ALLSPACE reflect a growing trend of US-backed innovation in wearable tech and resilient communications.

Reading Economic Development Framework

- Life Sciences & R&D: Sanofi's investment highlights Reading's growing biotech and pharma footprint.
- Global HQs & Regional Hubs: Many firms use Reading as a UK or European base due to proximity to Heathrow and London.

International firms cite Reading's talent pool, transport links, and university partnerships as key attractors.

Major International Investors in Reading

Company	Country	Sector	Role in Reading
Microsoft	USA	Software & Cloud	UK HQ at Thames Valley Park
Oracle	USA	Enterprise Software	European operations centre
PepsiCo	USA	FMCG	UK HQ in Reading
Hewlett Packard Enterprise	USA	IT & Hardware	Long-standing presence in Thames Valley
Sanofi	France	Pharmaceuticals	R&D and commercial ops
Ericsson	Sweden	Telecoms	UK HQ established in Reading
Huawei	China	Telecoms & Infrastructure	UK R&D centre and network services
Fujitsu	Japan	IT Services	UK HQ in Reading
TCS	India	IT & Consulting	Delivery centre and client services
Infosys	India	IT & Outsourcing	Regional presence supporting UK clients
Thales	France	Aerospace & Defence	Engineering and systems integration
Nokia	Finland	Telecoms	Regional office and partnerships
Virgin Media O2	UK / Spain	Telecoms	UK HQ and network operations
Johnson Controls	USA	Building Tech & Automation	Regional base in Reading
Sage Group	UK	Accounting Software	Strategic operations in Reading's tech corridor
ALLSPACE	UK / Germany-	Satellite Communications	R&D and smart terminal development
AstronauTx	UK / EU-funded	Biotech & Neuroscience	R&D presence in Reading
Verizon	USA	Telecoms & Cybersecurity	UK operations hub in Reading

The University of Reading is a research led institution consistently ranked in the top 200 universities worldwide scoring especially well in Life, Physical and Social Sciences with significant global connectivity in research and education in countries worldwide and with international companies. It is now internationally recognised for its climatology research and climate stripes reporting by Prof Ed Hawkins.

3.4 Advanced Technologies

The following initiatives are a driver for Reading establishing itself as a hub for advanced technology.

- Reading University AI & Thames Valley AI Hub: The university has launched the Thames Valley AI (TVAI) Hub, bringing together academics, industry leaders, and tech professionals to accelerate AI innovation. This initiative connects research with real-world applications, ensuring businesses can leverage cutting-edge AI advancements.
- Reading has emerged as a significant hub for artificial intelligence, benefiting from its proximity to London and a very strong technology infrastructure. Greater Reading hosts AI startups established tech firms, and research institutions, contributing to the UK broader AI ecosystem. With companies focussing on AI-driven solutions in sectors - finance, healthcare, cybersecurity, and automation. The presence of major technology firms (Nvidia, Microsoft, Oracle, Sage People, Huawei, Cisco, SYMANTEC) and university research initiatives, foster innovation and collaboration. The town's AI sector benefits from skilled talent, funding opportunities, and a supportive business environment, making it a key player in the UK's AI landscape.
- Reading Tech Cluster: This initiative strengthens the region's tech ecosystem by linking businesses, investors, and research institutions. It aims to boost productivity, attract global investment, and position Reading as a leading tech destination.

With a deep talent pool, strong industry partnerships, and strategic location, Reading is well-positioned to become a powerhouse for AI and digital technology. This will require concerted efforts with the local authorities to create the required conditions for these activities to prosper in Reading, including creating adequate spaces, high impact business support and workforce skills for the creation, survival and growth of local advanced technology businesses.

3.5 Defence Sector

Defence industry growth presents opportunities for Reading to align with UK-wide investment priorities. Already Reading has a sizeable grouping of defence industries, including:

- AWE (Atomic Weapons Establishment), which specialises in nuclear science and technology for defence and the design, manufacture, and support of warheads for the UK's nuclear deterrent.
- Thales Group, which provides a wide range of services in defence, aerospace, and security.
- BAE Systems, one of the largest defence contractors in the world, has operations in various locations including Reading.
- Cohort plc, which provides a wide range of services and products for defence and security markets.

Reading Economic Development Framework

- GCAP (Global Combat Air Programme) which has a significant presence in Reading, UK. It serves as the headquarters for the GCAP International Government Organisation (GIGO), which oversees the development of a next-generation fighter aircraft in collaboration with Japan and Italy.
- Moog Reading, which offers power and data transfer solutions, motion control, and electronic products for defence and space markets.
- Astute Ltd, which focuses on marketing innovative products and services for defence companies.

Reading is experiencing the influx of overseas defence sector technology research at Green Park along with the expansion also into Green Park of nearby AWE.

3.6 Film and TV Production

The set up of Shinfield Studios just outside Reading's borders creates a major opportunity for the growth of media production supply chain activities within the local economy. It is shaping up to be a game-changer for the UK's film and TV industry. Located just 15 minutes from the Reading Town Centre national connected rail hub, it is now fully operational with 18 sound stages within a one-million-square-foot media hub. The studio has already hosted a Disney production and is set to attract major film and TV projects. This project aims to provide sustainable growth, attract investment, and expand the talent pool for film and TV production. With the UK's film and TV sector experiencing record growth, Shinfield Studios is expected to contribute significantly to local and national economic development. The Berkshire Skills Cluster linked to the studio could create around 3,000 jobs, reinforcing the region's reputation as a powerhouse for media production. The University of Reading's Cine Valley initiative is also playing a crucial role, supporting students, local jobs, and the UK's creative industries.

3.7 Reading's Professional Services Sectors

Local professional services have proved to be a major generator of economic growth. In the five years to the end of 2023, legal and accounting activities created 4,500 additional local jobs, computer programming & consultancy 3000, telecommunications 3000, information services 500 and Scientific R&D 500 jobs. 40% of Reading's residents work in professional occupations. There is scope to build on these strengths whilst positioning Reading as the regional hub for professional services support.

3.8 Climate Change Expertise

The University of Reading now has the largest concentration of climate scientists in the world and with this and the relocation of the European Centre for Medium-Range Weather Forecasts to the University, its expertise in climate change is set to drive local economic growth in several ways.

Reading Economic Development Framework

- Innovation & Research. The university's Walker Institute leads interdisciplinary climate research, helping businesses and policymakers develop climate-resilient strategies.
- Education & Workforce Development. Programs like the MSc Environment, Climate Change and Development equip students with skills to address climate challenges, creating a pipeline of talent for sustainability-focused industries.
- Business & Investment. The Climate and Finance Research Cluster explore how climate change impacts financial systems, guiding investment in green technologies and sustainable infrastructure.

There is scope to attract to Reading businesses that can benefit from these types of university-led research, such as those providing service related to climate adaptation, risk management, insurance and sustainable practices.

3.9 Re-siting and Redevelopment of the Royal Berkshire Hospital

Plans are being developed for the outdated Royal Berkshire Hospital currently located on the edge of Reading town centre. From an economic development point of view there are significant opportunities to be gained from this major construction project and operation of a state-of-the-art research led new Hospital. The redevelopment, whether through relocation or major refurbishment, offers a once-in-a-generation chance to reshape healthcare delivery, urban planning, and regional economic dynamics.

From an economic development perspective, the build phase will deliver substantial benefits. It will create a wide range of employment opportunities, not only in construction and engineering, but also supporting roles that offer entry-level pathways and skills development. The local population will also benefit from increased economic activity from increased demand for goods and services, and the projects scale is likely to attract investment from further afield. Once operational, it will employ over 5,000 staff, making it one of the region's largest employers and could support career pathways from entry-level to postgraduate, reduce reliance on overseas recruitment, and engage marginalised communities in South Reading.

There would be place-making and regeneration benefits. Relocation from the congested Craven Road site opens up transformative urban planning. Redevelopment of the existing site could deliver new homes to support local demand, commercial spaces to attract businesses, and community infrastructure such as green spaces and education facilities. Proposed sites (e.g. Thames Valley Park, Thames Valley Science Park) would offer better accessibility and co-location with innovation hubs.

The proposal enhances Reading's identity as a health and innovation city. A research-led hospital could catalyse a life sciences cluster, which will unlock significant opportunities for collaboration with the University of Reading. Both proximity and closer working with the University of Reading will enable joint research, clinical trials, translational medicine, and SME incubation that will support start-ups and small businesses, creating new industries and

employment. The project supports the UK's Innovation Ecosystem Programme, positioning NHS infrastructure as a growth driver.

Rising population near the town centre will increase pressure on healthcare services. A modern hospital enables integrated care models and community-based interventions aligning to the new Trust Strategy and 10 Year Health Plan to move to a more 'Neighbourhood Health Service'. The development will improve patient outcomes through modern facilities and digital integration. The redevelopment would reduce operational inefficiencies and estate maintenance costs (currently estimated at £200 million). It aligns with Berkshire's 10-year Healthy Workforce Programme to promote wellbeing, skills, and retention.

3.10 Recycling and Redevelopment of Vacant or Under-utilised HQ Office Buildings

As businesses opt increasingly for amenity rich town centre locations served by high quality public transport, the stock of outdated commercial property will be a valuable resource, providing opportunities for recycling and renewal to create high quality office and flexible R&D space for mainstream office users or for capitalised start-up or scaling up technology businesses or new mixed use live workspaces. Facilitating these opportunities, subject to applying the necessary protections to preserve employment space, can help meeting further demand for high quality town centre spaces or for expansion space in the peripheral research and business parks.

4. Key Challenges Facing Reading

4.1 Addressing Labour Market Imbalances

Reading has the highest average weekly earnings by workplace of any municipal area in the Thames Valley yet amongst the lowest earnings by place of residence, indicating that many of the 47% of those working in the borough who commute in from other districts have been taking up the highest paid jobs. This is partially explained by skill shortages in some intermediate level occupations. Though Reading has the highest proportion of residents in professional workers in the Thames Valley, it has a lower-than-average proportion of workers in managerial, associate professional, skilled trades and service occupations and a higher proportion of those in elementary occupations compared with the regional and national average. Some 46% of employed Reading residents travel out of the borough to work. If more of the local workforce could be trained for higher skilled roles, for example moving large numbers of Level 2 qualified workers to Level 3, this would have a massive impact on productivity, income levels, economic performance and environmental sustainability.

For this reason there is a case for a more concerted approach to skills development in Reading, intensified by a few parallel factors.

- The surging demand for digital skills, with AI, data analytics, and cloud computing becoming critical as new, fast growing business sectors like data science, artificial intelligence, blockchain technology, genomics and the sharing economy are emerging.

Reading Economic Development Framework

- AI and automation are reshaping work, reducing physical presence requirements but increasing cognitive task demands.
- Required job skillsets are evolving rapidly, requiring lifelong learning and continuous professional development. The World Economic Forum Future of Jobs Report 2025 projects that, on average, workers can expect that two-fifths (39%) of their existing skill sets will be transformed or become outdated over the 2025-2030.
- ‘Employer Skills Survey 2022: Research Report’ Department of Education 2023 found that employers are investing less in training, exacerbating workforce stagnation.

To address skills shortages, digital transformation, and workforce adaptability, RBC, employers and local stakeholders in Reading will need a defined skills strategy which will focus on:

- a) Strengthening initiatives for skills development, encouraging business-led training programmes tailored to sector-specific needs, by fostering collaboration between local employers, universities, the education authorities and training providers
- b) Creating the conditions for the workforce to become more productive through upskilling and technology adoption
- c) Youth engagement and expanding work experience, especially for disadvantaged groups of children and primary schools, particularly for those in schools with constrained capacity and/or with busy parents with limited time to arrange high quality placements.
- d) Strengthening career transition programmes such as apprenticeships and certification pathways and measures to motivate unemployed young people
- e) Making the case for funding for lifelong learning and workforce upskilling
- f) Embedding digital literacy and AI, coding, and data analytics into secondary and higher education curricula
- g) Innovative measures to provide affordable homes to accommodate the workforce
- h) Assuring an adequate supply of green economy skills
- i) Addressing labour market inequalities and social inclusion, by expanding initiatives targeting underrepresented groups, including young people and older workers and ensuring equitable access to training and career progression opportunities.

4.2 Addressing Labour Market Inequalities

In Reading, inequality is a major issue. Despite being the fourth largest urban area in the South East based on ONS population figures and having one of the highest concentrations of digital technologies and professional services in the UK, there is a clear mismatch between outstanding economic success and the level of benefits to local people as, according to the 2019 Index of Multiple Deprivation, (IMD), Reading has had some of the most affluent and the most deprived neighbourhoods in the whole of the Thames Valley. These figures will be updated with the 2025 IMD.

Reading Economic Development Framework

Across a number of social exclusion indicators, Reading has a number of lower super output areas (LSOAs) with indicators ranked in the worst 10% and in some cases the worst 5% nationally. The Reading Social Exclusion Analysis 2022 reports that the two wards in Reading with the highest scores of deprivation are:

- a) Whitley, where 31.6% of children in Whitley are at risk of living in poverty, compared to 18.7% across Reading; only 63.4% of the working-age population is employed, compared to 85% on average in Reading; only 38.9% of children are achieving 5 GCSEs at grade A* to C, compared to 56.4% across Reading.
- b) Church ward has where approximately 30.9% of children at risk of living in poverty, compared to 18.7% across Reading; only 44.3% of the working-age population is employed, against 85% across Reading; only 38.7% of children are achieving 5 GCSEs at grade A* to C, compared to 56.4% across Reading.
- c) According to the 2019 IMD Both Whitley and Church have areas ranked in the lowest 10% of areas in England for income deprivation.

These inequalities and the gap and between prosperity and deprivation in Reading are proving persistent as the years go by. There is a need to improve the economic outcomes for some groups of residents. This highlights a need for targeted interventions focusing on income equality, education, housing, employment access, health and social support.

Moving forward, a sustained progression and advancement strategy is needed focused on individual engagement, skills development, aspiration raising, moving people into work and onward progression. Health and well-being are relevant factors to be considered. The Councils' barriers to work analysis recently identified health to be a constraint on entering or re-entering employment in 50% of cases. This strategy must set out clearly what are the barriers and how key outcomes such as enhanced skills and employer-related benefits are going to be achieved. It must highlight the challenges and who will take overall responsibility for mapping, coordinating and driving forward bottom up interventions making a difference and top down responding to government.

It also needs to be agile as much is changing with the advent of new government policies. A system for tracking the progress of individuals and evaluating outcomes needs to be put in place. Proposals developed will also need to be coherent with the Berkshire Prosperity Board and its various strategies. Much useful work is already being undertaken.

- The Council's Corporate Services has been coordinating, influencing and informing all aspects of the social regeneration of Church and Whitley through the Place Based Programme. These have aimed to improve education and training opportunities leading to an uplift in skills amongst individuals and to enhance the take up of employment. Meanwhile Children's Services are initiating actions to improve outcomes for school children. Adult Learning are delivering targets for skills and abilities.

- Public Health has carried out thousands of health checks and on-going support aimed at improving outcomes on health and employment.
- The Education Directorate has prioritised reducing attainment gaps at Stages 2 & 4, measures to get the most vulnerable to attend secondary school to narrow the gap in 14-19 year old attainment.
- REDA is working with businesses to help them understand how they can make arrangements to employ and manage residents looking to improve their employment outcomes whilst also providing awareness advice, training and grants to support people into self-employment.
- Careers advice is being provided in schools supported by staff of local businesses.
- The local community centres are key hubs of activity where special events and other community engagement activities are being pursued with people showing up, with a new community centre recently completed in Whitley.
- There is an internal group within the Council bringing the above services together and promoting a focus on South Reading across all Council functions.

The big challenge is external engagement and getting people to understand why they can benefit from being involved in the available support schemes. The voluntary sector who deliver much of the provision for those seeking to improve their economic circumstances and other community groups needs is well understood and supported and can help boost the numbers of individuals who can be assisted in overcoming self-advancement barriers and referred to the appropriate providers.

4.3 Maintaining and Developing Readings' Key Sector Strengths

The ability to create employment opportunities depends on maintaining a strong base of high value business activities.

When compared with the rest of the Thames Valley, M3 Corridor, Milton Keynes and Oxford and Cambridge, Reading has held a leading position in such sectors such as information & communication, professional, scientific & technical R&D, climate change science and in certain business support services like property and employment services.

However, trends in net increases in employment since 2016 show this lead is being eroded across some functions. Several of Reading's competitor locations have pulled ahead in headquarters functions and some business services due to targeted regeneration conducive to new, flexible choices of business accommodation and creation of highly attractive working environments.

Reading Economic Development Framework

Sector	Net Increases in employment 2016-21	Rank amongst comparator locations	Net Increases in employment	Rank amongst comparator locations*
			2018-23	
Legal and accounting	3,500	1	4,500	1
Computer programming & consultancy	0	6	3000	1
Telecommunications	3,000	1	3000	1
Office administration & business support	750	1	0	6
Rental and leasing	400	1	400	1
Head offices & management consultancy	500	1	0	6
Information services	525	1	500	2
Advertising and MR	250	1	350	2
Scientific R&D	1,250	3	500	5
Security and investigation	200	1	100	5
Employment activities	3,000	2	-1,000	9
Real estate activities	250	2	250	5

Source: ONS Business Register and Employment Survey * Comparators included Basingstoke and Deane, Bracknell Forest, Cambridge, Hammersmith & Fulham, Hillingdon, Hounslow, Milton Keynes, Oxford, Slough, Watford, Windsor & Maidenhead, Woking.

Reading's ability to attract and retain high-value industries will be critical to long-term economic resilience. The erosion of its lead in some high-value sectors underscores the need for targeted regeneration strategies and a proactive stance in attracting investment. Reading needs to ensure these key high value added activities are helped to stay abreast of the pace of change in the 21st century. This will require a strong focus on:

- Maintaining a best-in-class commercial property offer, ensuring the availability of high-quality, office space to meet evolving business needs and supporting developments like One Station Hill that attract high-value occupiers and drive economic momentum.
- Expanding flexible workspace options, by developing co-working, incubator, and scale-up spaces to retain local tech and media startups and attract young ventures from nearby innovation hubs and aligning workspace availability with growth sectors like AI, data science, and advanced technology.
- Creating a desirable, high-quality working environment and workstyle amenities by investing in public realm improvements such as town centre green spaces, riverside walks, nice places to have lunch and meet after work, a modern retail and leisure environment to help Reading to compete with other business hubs.
- Strengthening inward investment promotion by actively marketing Reading's competitive advantages, including superb connectivity, its skilled workforce, and comparatively low costs, building on the progress being made by the REDA inward investment hub.

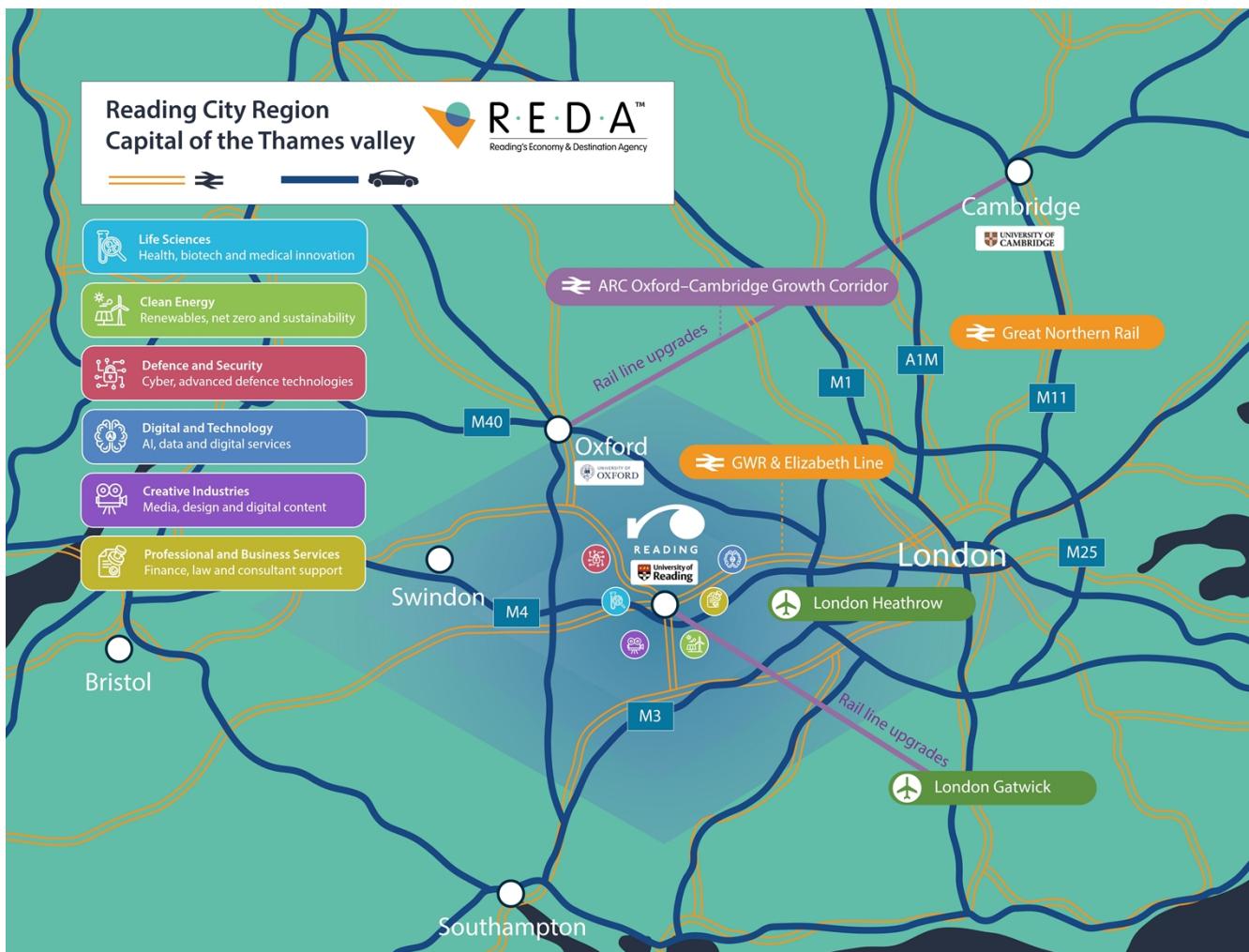
- Developing a dialogue with strategically significant employers and intelligence of their growth and development plans to support their successful adaptation and expansion needs and to avert risks of outward relocation.
- Proactive support to start-ups and SMEs demonstrating significant growth potential.
- Positioning Reading as a complementary hub to the Oxford-Cambridge Arc, rather than a direct competitor.

4.4 Reading's Readiness for the Next Generation Industries

Reading is at a pivotal moment. It has the potential to establish itself as a prime destination for next-generation industries but must act swiftly. The rise of sectors such as AI, automation, biotechnology, cybersecurity, and space technology will reshape economic landscapes globally. Many of the R&D elements of these are being drawn to Oxford and Cambridge, where companies like Microsoft and Amazon now have a presence. Reading excels in computer programming and consultancy but must now prepare itself to be a prominent hub for these emerging industries. The required approach is to position Reading as a complementary hub to the Oxford-Cambridge Arc rather than competing outright, leveraging Reading's connectivity, established tech expertise, workforce and available business workspace to offer a desirable base for advanced technology businesses seeking access to both London and the Arc.

Invest 2035: The UK's Modern Industrial Strategy, highlights the UK's world-class research base facilitated by strong collaboration between academia and industry; its global services industry, 2nd to the United States as the world's biggest services exporter; its world-renowned legal system for agreeing commercial contracts and dispute resolution; being one of the most globally connected economies in the G20,10 with excellent international transport links; being 4th in Europe for tertiary education and 7th in the OECD; a strong creative and pro-entrepreneurial environment with the most successful start-up hub in Europe and the world's 3rd largest venture capital market. These are all characteristics that are strongly represented in Reading.

Reading Economic Development Framework



Along with the University of Reading's research alliances along the M4 corridor into London including the Medical and Food sectors, Reading is strategically placed at the confluence of the M3, M4 and M40 major research corridors, well connected by fast rail links and proximity to Heathrow with scope for creating a powerful untapped regional economic area.

A few measures would help Reading maintain and further propel a foothold in advanced technologies and an attractive cluster of innovation alongside the Oxford-Cambridge Arc while maintaining its own distinct identity.

- Positioning Reading as an AI-friendly location by enhancing high-speed digital connectivity, accessible data centre services, attracting AI firms through incentives and leading and creating a digitally enabled workforce, in response to the UK government pushing AI growth zones and data centre development.
- Building a high impact entrepreneurial & innovation ecosystem via a comprehensive model of entrepreneurial education, business incubation, and venture financing to

build Reading's appeal to high-value, knowledge-based companies. Partnerships with local universities and industry leaders, networking opportunities and direct business engagement would foster this ecosystem.

- REDA playing a leadership role in joining up national innovation support programmes with local initiatives, addressing gaps and supporting the work of the Thames Valley AI Hub, Reading Tech Cluster and the Growth Hub and through stronger relationships with national and international institutes such as the Turing Institute.
- Engaging with the innovation Catapult programmes, Alan Turing Institute and other key institutions engendering the advanced technologies in order to enhance their recognition of the significant grouping of the emerging industries in Reading.
- Promoting a holistic approach across policy areas (e.g. aligning planning, energy and skills policies) to be ahead of the curve in Reading to realise the Government's AI Action Plan.
- Enhancing the supply of incubator and flexible scale up accommodation, catering for startups and scale-ups in key technologies with growth potential. The availability of flexible R&D facilities will be critical. It will be essential to provide space for high-tech businesses originating from Oxford particularly the provision of a smaller office units and incubation space including wet lab space. Other Thames Valley towns are already moving in this direction and Reading needs to follow suit to continue to compete.

Given the increasing demand for lab space and the trend of life sciences companies now favouring town-centre locations, Reading could develop specialised life sciences incubation and scale hubs within the town centre in lab-enabled office spaces and partner with universities or research institutions to make this happen. As above, investing in town-centre amenities, green spaces, and a strong retail and leisure mix could make Reading a compelling location for professionals and businesses alike.

4.5 Priorities for Place Making, Urban Uplift and Animation

Placemaking and urban uplift are needed to align with the need to balance Reading's economic dynamism with social cohesion. Critical areas are for town-centre animation, population attraction and retention, and the lasting regeneration of South Reading. All will play a crucial role in ensuring Reading's long-term prosperity.

- Keeping Reading Town Centre Attractive to Business

There is a strong case for enhancing Reading as a place of interest and attractive to both businesses, visitors and residents.

Reading Economic Development Framework

With more companies shifting into the centre, creating a vibrant, work-friendly environment is essential for attracting businesses and ensuring sustained office take-up. A few towns that compete for such investment with Reading have recognised the importance of creating amenity-rich environments attractive to their workforces and are now reaping the benefits in terms of inward relocations and job creation. Further investment in retail, leisure, green spaces, and building on Reading's association with waterways and river walks are needed to reinforce Reading's appeal as a prime business destination against competing locations.

A further factor is in ensuring that Reading can offer the range of business accommodation and related flexibility to enable its existing key sectors to grow and to foster and sustain a competitive advanced technology cluster.

➤ Embedding Population Growth

Reading Town Centre, where there is much current investment in residential towers to the east and west of the town centre, needs to embed an incoming future population of over 20,000 people to make these attractive to incoming skilled workers there is a need to create a stronger buzz by way of diverse food and beverage outlets, nightlife and cultural venues. To prevent families from leaving once they upsize, Reading must also invest in a diverse housing mix, quality schools, accessible healthcare, and enriching amenities to make the town centre residential areas more attractive for all demographics.

➤ Achieving Lasting Regeneration in South Reading

The primary aim of the social regeneration of South Reading is to permanently shift the dial on levels of economic inactivity in the long term, ceasing the prevalence of low economic performance, poverty and deprivation within South Reading. A parallel aim is to encourage people in the community to stay in the area as they advance through skills training and entry into high quality employment. To achieve this, South Reading as a place will also need to change. There is a need to significantly enhance the quality of life, appeal and pride of place of South Reading as a place to live and to bring about higher levels of community cohesion and interaction. This will widen the opportunities for socially excluded individuals to enrich their lives, become involved in new activities, raise their aspirations and to encounter those in a position to navigate them through self-improvement and advancement.

Current Initiatives

The Reading Town Centre Strategy (currently awaiting adoption) and Public Realm Strategy set out a long-term vision to transform the town centre into a more accessible, vibrant, and sustainable urban environment. Together, these strategies aim to:

- Support economic growth while improving liveability
- Encourage investment through clearer planning guidance
- Foster community engagement in shaping the town's future
- Align with the Local Plan and broader regional development goals

Reading Economic Development Framework

In parallel, a number of core impediments to the town centre affecting the image and potential output growth of the town centre are being addressed by RBC, REDA (BID) and partners such as Thames Valley Police and the voluntary sector. Specifically they are the deep-seated challenges including; sympathetically tackling issues of aggressive begging, rough sleeping as well as shop theft un licenced busking (noise pollution), use of electric bicycles in pedestrian areas and crimes against women.

What Else Needs to be Done

To meet the above aims there will also be a need for:

- a) Mechanisms to promptly recycle and redevelop of outdated commercial buildings to respond to strategic economic opportunities.
- b) Master planning to incorporate family size homes in or adjacent to Central Reading.
- c) An exciting scene of animation, brought about through in-depth community engagement, stronger pride of place and a thriving and inclusive scene of community events, cafés, live performances and social events, across Reading but for the town centre and South Reading in particular.

For the last of these, parallel elements need to be put in place.

- a) The support, capacity building and resources to help local groups initiate a wide range of cultural, music, cultural, special interest and social activities to create the widest possible range of activities to hook local people in.
- b) Small financial contributions to help with the adaptation of existing spaces for the set-up of community cafes, small performance venues, additional meeting spaces and specific facilities and resources for special interest groups to pursue their activities.
- c) Public realm improvements to enhance pride of place and social interaction.
- d) Grassroots involvement, ensuring local communities shape these transformations
- e) Strategies to ensure sustained funding and engagement from businesses, residents, and policymakers.

4.6 Promoting Reading Successfully as a Destination

Overlaying this is the need for effective marketing and communications to attract visitors and to encourage participation to help these activities to consolidate viably for the long term. Reading has a growing visitor base, and tourism contributes £400m to the economy and creates nearly 7000 jobs. Reading also hosts up to 20,000 students per year at the University who use the town centre. Reading's Culture and Heritage Strategy 2015-2030 was set up in November 2015¹ with the goal of making a Reading a 'centre of creativity with a reputation for cultural and heritage excellence at a regional, national and international level with increased engagement across this town.' The strategy includes a five-year milestone review

¹ 'Reading Borough Council: Report by Director of Environment and Neighbourhood Services'. Reading Borough Council. 5th July 2016.

Reading Economic Development Framework

in 2020 and is monitored annually by the Cultural Partnership to ensure progress against agreed action. It identified three core objectives for the strategy:

- Enhanced Identity: Strengthen Reading's cultural profile and promote its unique history.
- Increase opportunity: Expand access to cultural activities, fostering inclusivity.
- Celebrate: Showcase the town's heritage through events and initiatives.

Reading has a strong historical heritage with institutions such as the Reading Museum, Reading University (highlighting it is home to the largest collection of resources related to Samuel Beckett), Cole Museum of Zoology, Ure Museum and the Museum of English Rural Life as well as cultural institutions and hubs such as the Hexagon, Reading Concert Hall, South Street Arts Centre, Progress Theatre, Reading Studio, Reading Sun Arts Centre, OpenHand OpenSpace and live music and comedy venues like The Purple Turtle, Sub89, The Bowery District, Face Bar, Global Cafe and Oxford Social Club. Reading Gaol development and its use for arts and cultural uses, an amenity for residents and as an international tourist destination will reinforce the core of Reading's overseas and national tourist visitor offer. Active promotion of and investment in Reading's tourism businesses, attractions, communities and assets by residents and visitors and continuing to promote Reading as a "fun place" will make it a great place to not only to live, but to visit and spend money. It is also key to retaining and building Reading's attractiveness to major businesses who may consider investing in the town.

Reading is in its second of a two five-year Business Improvement District (BID) business plans investing over £1.2m per annum during 2024-29 into additional services and events and urban realm. Reading's Business Improvement Districts (BIDs) are essential in enhancing the town centre's appeal and economic resilience. The Reading Central BID focuses on retail and leisure, investing heavily in safety, environmental improvements, and public engagement, while the Abbey Quarter BID supports corporate businesses, staff wellbeing, and professional development. Both BIDs contribute to security, sustainability, and economic vitality, ensuring Reading remains competitive and attractive. It is critical that additional funds are found for these enhancements to complement the BID and further secure a further BID term for 2029-2034.

4.7 Making the Case for Strengthening Public Transport & Active Travel

With companies shifting into the town centre, better bus rapid transit options, additional park-and-ride schemes, and safe cycling infrastructure will be essential. In parallel, Reading will need to support the Western Rail Link to Heathrow as this would speed up times to Heathrow from Reading via Slough and reduce congestion along and around the motorway networks near Heathrow. In the meantime, smaller interventions, such as redesigning existing bridges could provide quicker relief. There is a clear push toward electric buses, EV infrastructure, and car-sharing initiatives, but ensuring effective space allocation for these while reducing car dependency will be a complex challenge.

The key to success in this regard will be the ability to produce powerful business cases for securing the funding to bring these improvements to fruition. For this, the economic impacts and benefits of infrastructure investment need to be clearly defined and demonstrated, particularly as regards opportunities for stronger commercial and economic ties with Oxford, London and the wider connections enabled through Heathrow expansion. The opportunities unlocked through the transition to an enlarged devolved local authority will also need to figure within this case building.

4.8 Positioning Reading in a Larger Geographical Context

During the life of this economic development framework Reading will become part of a larger, devolved local authority area, presenting a significant opportunity for Reading to redefine its role in the broader economic landscape.

Leverage Statement

Reading's economy functions as a metropolitan core for the wider M4, M40 and M3 corridors delivering jobs, investment, and growth impacts that radiate far beyond its administrative boundaries. Any reorganisation must recognise Reading as a regional hub with system-wide influence. Key Points for Strategic Advocacy

- **Economic Gravity:** With high levels of job creation, Reading's local activity drives economic resilience across neighbouring boroughs.
- **Strategic Assets:** Infrastructure (Green Park station), leisure investments, and anchor employers (Advanced IT, professional services the hospital, Shinfield Studios, the growing defence industries) serve regional populations—not just Reading residents.
- **Skills and Employment Reach:** Career events, Employment and Skills Plans, and sector-targeted initiatives have engaged thousands across wider Berkshire—providing scalable templates for workforce renewal.
- **Institutional Readiness:** REDA's coordinated economic development framework demonstrates mature local governance and delivery capacity, aligned with national agendas (net zero, skills, high streets).
- **Place Branding Influence:** Reading's emerging brand strategy projects a cosmopolitan, investible identity, enhancing the regional proposition and attracting national attention.

Reading's Strategic Role in a Devolved Landscape

Reading anchors a “diamond of activity” spanning Swindon, West London, the Oxford-Cambridge Arc, and the M3 corridor—making it a natural choice for regional leadership, infrastructure investment, and high-value sector development within a reconfigured governance structure. (see map above).

Reading Economic Development Framework

Core Opportunities Under Devolution

Opportunity Area	Strategic Implication
Strategic Connectivity	Enhanced transport cases (e.g. park & ride, corridor links) gain credibility under mayoral governance
Infrastructure Investment Acceleration	District-boundary barriers removed; regional alignment of investment flows enabled
High-Value Sector Growth	Greater autonomy for targeted alliances in life sciences, tech, and defence sectors
Holistic planning and more targeted delivery of careers provision and post 16 and adult skills training	More economy and employer responsive education and training provision in workplace settings and schools and colleges for the future workforce as well as support for the unemployed to connect to work and the upskilling reskilling of the existing workforce
Inclusion & Levelling Up	Expanded tools to combat economic inactivity, especially in South Reading
Regional Leadership	Joint delivery of pan-Berkshire visitor economy strategy with Windsor
National Industrial Strategy & Berkshire Economic Strategy Alignment	Devolved governance lets Reading lead on agreed regional priorities

Devolution Investment Strategy

The purpose will be to articulate Reading's strategic priorities, economic rationale, and funding requirements in a format that aligns with national and regional policy, unlocking new opportunities through devolution. Key features are to include:

- Regional impact modelling (e.g. labour market, infrastructure, business base)
- Sector-specific investment cases
- Connectivity & inclusion metrics
- Governance and partnership framework

5. Vision, Aims and Priorities

5.1 Vision for Reading over the Coming Ten Years

Reading's 2050 smart and sustainable City Vision was launched in 2018 to *help* us to establish Reading as "an internationally recognised and economically successful city region. A city where low carbon living is the norm, and the built environment, technology and innovation have combined to create a dynamic, smart and sustainable city with a high quality of life and equal opportunities for all".

Reading will evolve as a pumping heart, driving and servicing sustainable and inclusive growth and prosperity throughout a newly defined city region. It will maintain a lead in its own home grown grouping of advanced technologies whilst serving as the scale up hub of southern England, supporting the innovation and growth of adjacent urban areas through its digital and professional services capabilities and through purposeful links with Oxford and Cambridge and the M4, M3 and M40 research corridors.

5.2 Aims and Priorities

Given ongoing needs that to be addressed and new challenges that have emerged, the three thematic aims stated in the 2020 economic strategy for Reading are no less relevant now and will continue to be adopted in this economic development framework, save for the addition of a further thematic aim: City Region Reading: consolidating Reading's role as the core growth driver in a newly formed devolved combined authority. The scope and priorities of each are as summarised below.

Theme	Scope	Priorities
Inclusive Reading	Boost local employment, skills and training to support people into jobs	<ul style="list-style-type: none">• A levelled up skilled workforce for Reading• Significant increase in numbers of long-term unemployed persons accessing new skills and job opportunities
Smart and Sustainable Reading	Strengthen the economy and city centre for long-term resilience	<ul style="list-style-type: none">• Boosted investment in Reading's key sectors• Enhancing Reading as an Advanced Technology Economy
Destination Reading	Promote Reading as a great place to live, work, visit and do business.	<ul style="list-style-type: none">• Town Centre Place Making Blueprint• Animation of Priority Locations
City Region Reading	Reading as the core growth driver in a newly formed devolved combined authority	<ul style="list-style-type: none">• Successfully Funded Transport Infrastructure• Integrated Devolution Plans and Proposals

The following section sets out the key interventions needed to address the above aims and priorities.

6. Priority Economic Development Interventions

The scope of the following proposed interventions, encompassing the outcomes sought, case and rationale, current interventions, required conditions and steps are set out below.

INCLUSIVE READING

Intervention No. 1: A Levelled Up Skilled Workforce for Reading

Intervention No. 2: Reduced Inequalities in Education, Skills and Employment Opportunities

SMART AND SUSTAINABLE READING

Intervention No. 3: Boosted Investment in Reading's Key Sectors

Intervention No. 4: Enhancing Reading as an Advanced Technology Economy

DESTINATION READING

Intervention No. 5: Place Making and Enlivening Reading

Intervention No. 6: Development and Promotion of Destination Reading

CITY REGION READING

Intervention No. 7: Accelerated Transport Infrastructure Funding

Intervention No. 8: Integrated Devolution Plans and Proposals

Reading Economic Development Framework

Intervention No. 1	A Levelled Up Skilled Workforce for Reading
Outcomes Sought	Increase in the number of Reading residents securing higher-paid jobs. Improve productivity within the local workforce. Reduce peak-time commuting by supporting more residents to work locally. Wider opportunities for young people, addressing inequalities and meeting SME skills demand.
Case and Rationale	Reading has a high-wage economy, but many of the best-paying jobs are held by commuters, leaving residents with lower earnings. There is economic inactivity in certain areas, and shortages in mid-level skilled occupations. While Reading has the highest proportion of professionals amongst its residents in the Thames Valley, it lacks workers in managerial, skilled trades, and service roles, with elementary occupations overrepresented. Nearly half of Reading's residents commute elsewhere for work, which affects local economic stability and sustainability. By investing in skills development and education, more residents could access higher-skilled, better-paid jobs, boosting productivity, income levels, and economic performance. Strengthening public-private collaboration is essential to bridging this gap, ensuring that local talent is equipped for the evolving job market while reducing unnecessary commuting.
Required Conditions	A cohesive network of local employers to drive implementation of skills priorities matched by a coordinated partnership of education and skills providers working to widen opportunities for young and vulnerable people whilst addressing business skills needs.
Steps to Implementation	<ul style="list-style-type: none"> • A workforce development strategy and action plan identifying the sectors most in need of intervention, skills requirements and available provision, taking account of the future of work, green economy skills and the need to address inequalities. • Form a business skills board and a business network and survey their training needs to identify common skills needs and gaps in skills provision or support. • Develop a strong career destination planning partnership process, embracing 14–19 networks, REDA, New Directions, workforce development – including local people in schools, colleges, university, apprenticeship providers, through a few partnerships. • REDA, adult education, New Directions, schools, colleges, the university, apprenticeship providers to widen work experience, learning and training opportunities for young people. <p>Set out a three year skills and productivity action programme informed by the government's latest Employer Skills Survey and Assessment of priority skills to 2030 and pilot support exercises and develop a powerful business case for securing funds for this project. This to align with the LSIP proposals and those for reduced inequalities in education, skills and employment opportunities in Intervention 2, future-proof skills for sector and emerging industries growth in Interventions 3 and 4 below and the linking of skills and training opportunities to place of residence versus place of work. Boosting green economy skills will also feature in support of place making proposals.</p>

Reading Economic Development Framework

Intervention No. 2	Reduced Inequalities in Education, Skills and Employment Opportunities												
Outcomes Sought	Wider and deeper connection with communities conducive to lasting measurable improvements health, income equality, education, employment access and social conditions.												
Case and Rationale	<p><u>Persistent Inequality in Reading.</u> Despite strengths in digital technology and professional services, Reading faces significant localised deprivation; several LSOAs rank among the worst 10–5% nationally (IMD 2019, To be updated with the 2025 IMD, Census 2021) across such indicators as health barriers, income disparity, low education outcomes, and employment challenges. Examples of Deprivation Hotspots:</p> <table border="1"> <thead> <tr> <th>Ward</th> <th>Child Poverty Rate</th> <th>Employment Rate</th> <th>GCSE Success (5 A*-C) </th> </tr> </thead> <tbody> <tr> <td>Whitley</td> <td>30%</td> <td>63.4%</td> <td>~38–39%</td> </tr> <tr> <td>Church</td> <td>30%</td> <td>44.3%</td> <td>~38–39%</td> </tr> </tbody> </table> <p>Other affected areas are Whitley Wood, Norcot, Southcote, Dee Park, Newtown, Coley Park. Local residents' health is widely perceived as a barrier to employment, compounding socio-economic challenges. Despite these challenges, substantial potential remains for residents to improve their educational outcomes and skills to support a stronger economic future. Communities across the borough also contain a vibrant voluntary and community sector and associated assets.</p>	Ward	Child Poverty Rate	Employment Rate	GCSE Success (5 A*-C)	Whitley	30%	63.4%	~38–39%	Church	30%	44.3%	~38–39%
Ward	Child Poverty Rate	Employment Rate	GCSE Success (5 A*-C)										
Whitley	30%	63.4%	~38–39%										
Church	30%	44.3%	~38–39%										
Current Interventions	Reading Borough Council now provides a coherent, multi-layered approach to tackling inequality and social inclusion, conducive to overcoming self-advancement barriers, skills training and jobs through its corporate services, public health, children's services, careers, adult social care, adult education and leisure services functions,												
Required Conditions	Collaborative action from: public services; local businesses; and the voluntary and community sector. Strategic investment to tap into underutilised local talent; align with the long-term commitment of public institutions; improve quality of life and quality of place.												
Steps to Implementation	<ul style="list-style-type: none"> • Connect businesses to local communities across the borough. • Commit to recognising the value of the workforce in the borough. • Work with local employers like AWE, the Logistics Park, the NHS etc. to identify job opportunities for disadvantaged local people. • Create learning and development opportunities for the current and future workforce within the borough. • Invest in improvements in the facilities available to communities • Develop the capacity of community organisations that play a vital role in generating positive outcomes for residents. • Connect businesses with local schools to promote South Reading as a talent development opportunity. • Improve the health and confidence of South Reading residents. • Deepen support for New Directions in adult education and REDA in vocational training and delivery. 												

Reading Economic Development Framework

- Devise an effective client tracking and evaluation process to run over a 5–10-year period.

Intervention No. 3	Boosted Investment in Reading's Key Sectors
Outcomes Sought	Reading achieving an expanded reputation as a hub for scientific R&D and innovation-driven companies, film, TV production, advanced digital and low-carbon technologies whilst remaining the top choice for business relocation and enhancing its competitive advantages in attracting high-quality growth businesses, complementary to the Oxford-Cambridge Arc.
Case and Rationale	Reading needs powerful marketing of its competitive advantages—office availability, cost efficiencies, connectivity, workforce talent and quality of life—to attract and maintain inward investment, whilst positioning Reading itself in a wider regional role. Increased business demand for operating space will help drive development of best-in-class offices, lab-enabled offices and scalable space, and the high-quality amenities, public realm and transport links and necessary to support the business districts and retain top talent.
Current Interventions	The Reading inward investment marketing hub has been established with REDA working closely with local property owners and developers in designing appropriate marketing and promotion activities.
Required Conditions	Boosted awareness of Reading's competitive amongst advantages the major decision makers, property directors and advisors of target businesses within London, Thames Valley, Buckinghamshire, South Oxfordshire, Surrey and the M3 corridor and international business centres. Up to date intelligence on the growth and development plans of strategically significant local employers to support their adaptation and expansion plans.
Steps to Implementation	<ul style="list-style-type: none"> • Formulation of comprehensive factual data on all aspects of interest to prospective investors and of bespoke marketing propositions. • Establishment of enquiry handling in response to DBT referrals. • Engagement with all potential referral agents including commercial property agents, lawyers, accountants and relocation specialists. • Supporting promotional activities including regular press announcements, high impact advertising in and social media strategy promoting the Reading place brand. • Collaboration with sub-regional inward investment promotion as required.

Reading Economic Development Framework

Intervention No. 4	Enhancing Reading as an Advanced Technology Economy
Outcomes Sought	Reading established as a powerful cluster of 21st innovation alongside and complementing the Oxford-Cambridge Arc, maintaining its distinct identity as a knowledge based commercial location ideal for scale-up and onward expansion of science-based growth industries. Clustering of attracting AI firms supported by a digitally enabled workforce, in response to the UK government pushing AI growth zones and data centre development.
Case and Rationale	Reading has the potential to establish itself as a prime destination for next-generation industries but is at a pivotal moment. It must act swiftly now prepare itself to be a prominent hub for such emerging industries as AI, automation, biotechnology, cybersecurity, and space technology which will reshape economic landscapes globally. Reading must leverage its location at the confluence of the Oxford-Cambridge Arc, London and the M3, M4 and M40 research corridors, building on its connectivity, established tech expertise, workforce and available business workspace to offer a desirable base for advanced technology businesses seeking to scale up from these areas.
Current Interventions	The Advanced Technology Growth Hub and the Thames Valley AI Hub are two local business networks driving forward business growth and development in these activities.
Required Conditions	<p>A dynamic entrepreneurial & innovation support ecosystem offering expert support on commercialisation and venture capital financing.</p> <p>Enhanced supply of incubator and flexible scale up accommodation and R&D facilities, catering for biotechnology scale ups, cybersecurity, renewable energy, film production services in amenity rich urban environments.</p>
Steps to Implementation	<ul style="list-style-type: none"> • In-depth review of the emerging growth industries and their supply chain and workforce and related support requirements. • Digital Tech and Creative Sector Plans and funding alignment. • Engagement with Alan Turing and related Institutes related to emerging industries. • Development plan to position Reading as an AI zone of excellence and to advance the Government's AI action Plan in Reading. • Preparation of a comprehensive incubation and flexible workspace funding and development strategy. • Establishment of a high growth business support service (akin to the Set Squared model) available for start-ups and scaling up businesses. • Promoting global leadership in advanced climate change industries.

Reading Economic Development Framework

Intervention No. 5	Place Making and Enlivening Reading
Outcomes Sought	<ul style="list-style-type: none"> An enlivened Town Centre business district with a strong business-friendly environments attractive to skilled workers given Return-to-Office. Successful embedding of the incoming residential population attracted by enhanced nightlife, food and beverage and cultural, sports, leisure and entertainment venues. Long term retention of skilled workers and retaining young families through a diverse housing mix, enhanced urban amenities, quality schools and healthcare. The assured lasting regeneration of the town centre and South Reading where residents advancing and pursuing progression routes are encouraged to stay long term due to in-depth community engagement and a stronger pride of place driven by a thriving and inclusive scene of community events, cafés, live performances and social events. Growing fashionability of these areas as a place to live, work and play.
Case and Rationale	<ol style="list-style-type: none"> Reading needs placemaking and urban uplift to balance its economic dynamism, growth and social cohesion. Reading Town Centre needs to embed an incoming future population of over 20,000 skilled people and retain them in Reading in the long term. The aim of the social regeneration of South Reading is not only to eliminate long-term economic inactivity and create lasting community uplift but to encourage people to continue to live in South Reading as they progress. Reading's Culture and Heritage Strategy 2015-2030 aims to make it a centre of creativity and of cultural and heritage excellence with increased engagement across this town.
Current Interventions	<ul style="list-style-type: none"> The Local Plan, Town Centre strategy (currently awaiting adoption) and public realm strategy set out the framework for on-going development of the town centre. A masterplan has been prepared for the Minster Quarter (ex-civic centre) area. In South Reading, the Whitley Community Centre, South Reading Leisure Centre, Whitley Carnival and other community-driven events have helped to enhance interaction and participation by all community members.
Required Conditions	<ul style="list-style-type: none"> A thriving local creative and cultural scene in each location. Local communities shaping the regeneration process and grassroots involvement to aid participation of young and disadvantaged people. Engagement from businesses, policymakers, residents and funders.
Steps to Implementation	<ul style="list-style-type: none"> Measures to optimise and realise the land and property opportunities from transformation of the Hospital, Football Club, University Climate Block, Science Park and other key sites. Project plans for the animation and public realm of the town centre, its adjacent new residential areas and South Reading. Business support and small grants for community cafés, performance venues, social and cultural spaces in the town centre and South Reading. Master planning to incorporate more family size homes in Reading. Mechanisms to promptly upgrade outdated buildings to respond to strategic opportunities, safeguard office space from permitted development and accommodate niche start-up and cultural businesses affordably.

Reading Economic Development Framework

Intervention No. 6	Development and Promotion of Destination Reading
Outcomes Sought	<p>Reading widely recognised as a place of interest and attractive to spending visitors.</p> <p>Reading positioned as the No. 1 choice for relocating businesses.</p>
Case and Rationale	<p>Reading has a growing visitor base – tourism contributes £400m to the economy and creates nearly 7000 jobs.</p> <p>Reading town centre is an expanding business centre, is the biggest driver of Reading's economy and is the pumping heart of the sub-region, playing a complementary role with Oxford, the rest of the Thames Valley and the motorway corridors. This identity needs to be actively promoted.</p> <p>In parallel, Reading has a significant cultural and historical institutions and sites such as the Reading Museum, Cole Museum of Zoology, Ure Museum and the Museum of English Rural Life as well as cultural hubs such as the Hexagon, Reading Concert Hall, South Street Arts Centre, Progress Theatre, Reading Studio, Reading Sun Arts Centre, OpenHand OpenSpace and live music and comedy venues like The Purple Turtle, Sub89, The Bowery District, Face Bar, Global Cafe and Oxford Social Club. Reading also hosts up to 20,000 students per year at the University who use the town centre.</p>
Current Interventions	<p>Marketing through What's on in Reading and Visit Reading web sites.</p> <p>Reading is in its second of a two five year Business Improvement District (BID) business plans investing over £1.2m per annum during 2024-29 into additional services and events and urban realm, essential in enhancing the town centre's appeal and economic resilience.</p>
Required Conditions	<p>Investment in Reading's tourism businesses, attractions, cultural and heritage assets made viable by active promotion.</p> <p>It is critical that additional funds are found for these enhancements to complement the BID and further secure a further BID term for 2029-2034. Two major sites in the town centre need to come forward.</p>
Steps to Implementation	<ul style="list-style-type: none"> Marketing Reading's visitor attractions, heritage, cultural and hospitality offer especially in the town centre and its position on the River Thames, targeting local residents, regional national and international visitors. Active promotion to attract day visitors and visits to families and friends as well as a historically strong business visitor and conferencing market. Promotion activity to fill up existing town centre office space. Assure funding availability secure a further terms for the two Business Improvement Districts for 2029-2034.

Reading Economic Development Framework

Intervention No. 7	Accelerated Transport Infrastructure Funding
Outcomes Sought	Implementation of the Rail link between Slough and Heathrow (WRLtH). and deliver an exemplary public transport and active travel network providing rapid, high quality and seamless connections between Reading's residential districts, employment centres and strategic transport interchanges. Encourage low carbon options for the Reading to Gatwick rail line.
Case and Rationale	Reading's public transport and active travel strategy is crucial for supporting business and population migration into the town centre while reducing congestion and car dependency. Enhancing sustainable mobility while managing space constraints is a key challenge. Working across Berkshire on new projects is more likely to secure private sector and national funding sources.
Current Interventions	Reading's public transport and active travel strategy is crucial for supporting business and population migration into the town centre while reducing congestion and car dependency. Enhancing sustainable mobility while managing space constraints is a key challenge. WRLtH has been planned for over a decade and is well researched and planned, ready to be delivered.
Required Conditions	The development of powerful business cases for securing the funding to bring these improvements to fruition, based on robust evidence of the economic impacts and benefits these will bring about. Ensuring effective space allocation for these in the town centre while reducing car dependency will be a complex challenge. Pan-Berkshire partnership working between the public and private sector
Steps to Implementation	<ul style="list-style-type: none"> • Set out an over-arching case for addressing Reading's key transport priorities and define and quantify the net economic benefits. This to take account of Reading's pivotal location at the epicentre of technologically driven economic growth between London, Oxford, London, Heathrow and the R&D hubs of the M3, M4 and M40 corridors. • Develop and maintain business case readiness for projects to improve urban permeability and enhance bus rapid transit and park-and-ride capacity and car-sharing. • Join in strategic alliances and working groups pan Berkshire to develop update and lobby for the WRLtH. • Devise innovative public-private sector collaborative approaches to building the case for funding these improvements.

Reading Economic Development Framework

Intervention No. 8	Integrated Devolution Plans and Proposals
Outcomes Sought	<ul style="list-style-type: none"> • <i>Strengthened Strategic Connectivity</i>: Improved transport links to Oxford, Cambridge, London, and the M3 and M40 corridors, with expanded park-and-ride facilities. • <i>Unlocked Infrastructure Investment</i>: Removing district boundary constraints to accelerate major access improvement and regeneration projects. • <i>Positioning Reading as a regional, national and international visitor destination</i>: Part of a Berkshire Visitor Strategy, building links with the Great West Way Consortium, The St. James Way and Pilgrim Route to NW Spain, the development of the Gaol as an international visitor destination. • <i>Diversified town centre</i>: Repurposed town centre to accommodate growing SMEs and a large incoming population. • <i>Deeper Sub-regional Sector Engagement</i>: More flexibility to enhance business alliances and skills development, particularly in life sciences, digital technologies, and defence throughout the sub-region. • <i>Boosting Social & Economic Inclusion</i>: Devolution could provide expanded funding for tackling deprivation and economic inactivity, especially in South Reading. • <i>Leadership in Regional Economic Strategy</i>: Strengthening Reading's role in the Berkshire Economic Strategy and LVEP (Local Visitor Economy Partnership) alongside Windsor. Demonstrating how Reading investment will boost the entire Thames Valley. • <i>A Holistic Approach to AI</i> embracing: connectivity & infrastructure; energy & environment (inc. water); planning permissions for modern data centres; skills training for AI jobs: and how Reading will complement to the Ox / Cam arc.
Case and Rationale	<p>Reading's integration into a larger devolved authority presents a major opportunity to strengthen its economic position within a key "diamond of activity" stretching from Swindon to West London and from the Oxford-Cambridge Arc to the M3 corridor.</p>
Current Interventions	<p>Reading has been working in close conjunction with the Berkshire Prosperity Forum in developing collaborative strategies and policies for advancing the sub-region, including the Berkshire Economic development Strategy, proposals on the Reading to Gatwick rail upgrade and support to the Western Rail link to Heathrow. Dialogue with Oxford has been taking place on spatial development issues.</p>
Required Conditions	<p>Cohesive devolution investment planning and preparation to align Reading's priorities, funding needs, and economic justification with regional and national strategies.</p>
Steps to Implementation	<p>Define an overarching Devolved Framework and costed portfolio of project proposals to realise the above outcomes.</p>

7. Supporting Conditions for Economic Growth

7.1 Getting the Priority Interventions Funded

The above suite of interventions are solutions to the challenges and opportunities that determine the future of Reading, but without adequate funding, little can be achieved. Reading needs to be alert to funding streams being put forward by the government and at devolved authority level and ensure that such projects are business case ready in advance. Reading must therefore maintain the capacity for initiating and working up business cases and funding proposals along with advanced initiation and preparation of key supporting activities.

- Feasibility studies to inform on-going development planning
- Where relevant, master plans and the preparation of development briefs
- Costed implementation projects and programmes, with regular updates
- Detailed plans for supporting public realm investment and improvements
- Project programming and costing, setting up fast track procurement mechanisms.
- The selection of delivery partners
- The formulation of business cases and the preparation of funding bids.

Funding proposals will need to fall in line with the recent Green Book revision particularly with regard to “place based” assessments and position project bids in the context of a portfolio of projects that come together as a cohesive whole. This should see the various initiatives proposed into an overall ‘vision’ for Reading, which will combine the benefits which are monetizable (e.g. inward investment, sector growth and job creation) with those that are non-monetizable (e.g. social cohesion and removal of inequalities). In parallel, lobbying support should be directed to wider regional projects that will benefit Reading, such as the Western Rail Link to Heathrow.

7.2 Governance, Coordination and Monitoring

Future funding bodies will expect a robust governance and monitoring structure to be in place.

A strategic project board populated by leading council and REDA board members, senior officers from both, local partners and business representatives will provide a high level mechanism for the direction, coordination and monitoring of the various activities proposed. This will take responsibility for setting priorities, approval and sign off of individual projects, monitoring project progress, outputs and spend and initiating project reviews and evaluation. A comprehensive progress monitoring plan will provide the structure for ongoing review and evaluation by the project board. A parallel role will be ensuring that the economic development framework is embedded into the updates of all other relevant Council strategies policies and implemented in a joined-up manner.

7.3 Sub-regional Integration of Initiatives

Reading Economic Development Framework

Leading up to devolution and beyond, Reading will integrate selected initiatives with the adjacent boroughs and districts that will make up the future new grouping where this can gain maximum impact and where such partnerships would increase the prospects for being awarded funding.

7.4 Wide Engagement of Local Businesses

There will be a need for intensified business engagement widely and in depth, to give REDA, RBC and other solutions providers, whether generic or sector based, a clear route to reaching, communicating with and delivering services to their intended clients and to clear the way for constructive business collaboration. Much can be achieved by building on existing speaking engagements and networking events to help hook in employers to specific support schemes and initiatives.

7.5 Supporting Economic Development Functions

The above priority actions will be critical to achieving a step change in Reading's economic performance. However there will be other economic development functions that need to be maintained in parallel throughout the implementation period. These may either require a watching brief or action in the light of emerging situations and opportunities as the Reading economy continues to evolve. These are summarised by thematic aim as follows.

Thematic Aim	Activity	Supporting Actions
Inclusive Reading <i>Boost local employment, skills and training to support people into jobs</i>	Workforce Skills and Productivity	<ul style="list-style-type: none">• Ongoing prioritisation, development and funding of skills coordination and support mechanisms• Ongoing activity to support disadvantaged groups in accessing jobs
Smart and Sustainable Reading <i>Strengthen the economy and city centre for long-term resilience.</i>	Enterprise and Innovation	<ul style="list-style-type: none">• Comprehensive business engagement and networking• Funding of high impact business support delivery
	Inward Investment	<ul style="list-style-type: none">• Review, evaluation and updating of promotion and delivery programmes
	Delivering Land and Property Solutions	<ul style="list-style-type: none">• Monitoring of current and future flexible workspace demand and requirements• Proposals for renewal and redevelopment of the outdated business parks and industrial estates as opportunities arise
	Green Economy	<ul style="list-style-type: none">• Assuring the low carbon and sustainability agenda is clearly incorporated into all economic

Reading Economic Development Framework

		<p>development and regeneration plans, programmes and activities</p> <ul style="list-style-type: none">• Supporting local companies in adopting sustainable business practices
Destination Reading <i>Promote Reading as a great place to live, work, visit and do business</i>	Town Centre Development	<ul style="list-style-type: none">• Review, evaluation and forward strategy for the BID programmes
	Working Towards Net Zero	<ul style="list-style-type: none">• Net zero and green economy support and facilitation through engagement with low carbon support organisations
City Region Reading <i>Reading as core growth driver in devolved combined authority</i>	Transport Connectivity	<ul style="list-style-type: none">• Updated reviews of priority highways, active travel and public transport improvements, associated economic impact assessments and business cases

8. Strategic Alignment

8.1 Relevant Strategic Policies

Local Plan

Reading's Local Plan (2019-2036) guides urban development, concentrating growth in Central and South Reading while replacing older planning frameworks. A partial update (to 2040/41) is underway to accommodate rising demand.

Key Focus Areas:

- Housing: The plan targets 825 new homes per year (up from 699) to address the housing crisis, prioritizing affordable housing and high-density developments on brownfield sites.
- Economic Growth: Supports major office developments, especially near Reading Station, while maintaining a primary shopping area and allowing repurposing of unused retail spaces.
- Town Centre Protection: Limits out-of-town commercial expansion to sustain Reading's vibrant core.
- Infrastructure & Sustainability: Investments in green spaces, community facilities, and climate-conscious policies ensure balanced growth.

Reading's strategy promotes dense, central expansion, leveraging transformational projects (e.g. Station Hill, Minster Quarter) to deliver modern housing and commercial spaces while balancing heritage, infrastructure, and sustainability. The challenge lies in ensuring inclusive and supported growth so that development benefits the entire community.

Reading Economic Development Framework

Transport Plan

The Reading Transport Strategy 2040 is Reading Borough Council's plan to develop a sustainable, inclusive, and efficient transport system, aligned with the broader Reading 2050 vision of becoming a "smart and sustainable city." It builds on recent projects like Green Park Station (2023), Christchurch Bridge (2015), and the Bus Service Improvement Plan (BSIP, 2024). The strategy focuses on five key priorities:

- Creating a clean and green Reading
- Supporting healthy lifestyles
- Enabling sustainable and inclusive growth
- Connecting people and places
- Embracing smart solutions

Initiatives include expanding bus lanes, improving rail services, developing park-and-ride facilities, and implementing demand management schemes to reduce emissions. Future innovations also explore Mobility as a Service (MaaS) and autonomous vehicle technologies to modernize transport.

Reading Town Centre Strategy and Public Realm Strategy

The Reading Town Centre Strategy and Public Realm Strategy set out a long-term vision to transform the town centre into a more accessible, vibrant, and sustainable urban environment.

Reading Town Centre Strategy (2025–2029) (currently awaiting adoption)

This focus is on economic vitality, placemaking, & urban regeneration. Key proposals include:

- Mixed-use redevelopment: Encouraging conversion of underused retail and office space into residential, leisure, and hospitality uses.
- Cultural and heritage integration: Enhancing historic assets like Reading Abbey and Town Hall to strengthen identity and tourism.
- Sustainable transport: Improving pedestrian and cycle connectivity, reducing car dominance, and integrating with rail and bus networks.
- Green infrastructure: Expanding green corridors and pocket parks to improve air quality and wellbeing.
- Town centre living: Supporting higher-density housing with access to amenities, especially around Friar Street and Queen Victoria Street.

Public Realm Strategy (Draft Supplementary Planning Document)

This strategy complements the Town Centre Strategy by focusing on design, accessibility, and public space quality. Highlights include:

Element	Proposal Summary
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Reading Economic Development Framework

Public Realm Audit	Assessment of current streetscapes, pedestrian flows, and spatial quality
Street Typology Framework	Classification of streets and spaces to guide design interventions
Design Manual	Principles for paving, lighting, seating, planting, and signage
Focus Areas	Detailed proposals for five key streets (e.g. Broad Street, Station Hill)
Implementation Plan	Short-term and long-term actions for delivery, including funding and phasing

Climate Change Emergency Plan

Climate Emergency Strategy and Action Plan 2025-30 to get Reading to Net Zero by 2030 Produced by Reading Climate Action Network (CAN)

The Vision

Our vision is of a healthier, happier, climate-friendly and climate-resilient Reading, a town that has chosen to respond to climate change by creating a stronger, more connected community and better quality of life for all

Strategic Priorities

Refinement of the 2020-25 Strategy has led to the adoption of the following 8 Strategic Priorities:

- Planning and development
- Training and capacity building
- Health and personal resilience
- Adaptation
- Encouraging behaviour change
- Campaigns and communication
- Innovation
- Funding and resourcing Enabling conditions have been identified for each of these

The Economic benefits of Reading becoming Nett Zero we believe include

- Clean and inclusive growth in the local economy
- Reduced energy costs
- Increased Energy Security
- Reduced Congestion
- New Jobs in the low carbon economy
- Reduced economic costs of climate impacts
- New commercial opportunities for businesses

In pursuit of these economic benefits and supporting the Climate Strategy we will use the Economic Development Framework to support the Climate Emergency Strategy and the Reading Climate Action Network in the following ways:

Reading Economic Development Framework

1. Promoting good environmentally sustainable practices and education among all businesses and employees
2. Identifying 'green' skills and training needs of businesses introducing and developing low carbon products and services
3. Identifying the 'green' skills needs in the construction sector to deliver retrofit and new build sustainable buildings
4. Work with the education and training sector to develop the capacity to respond to the skills and training needs of local businesses, their employees and those seeking work
5. Attracting companies to Reading who produce and innovate low carbon products and services
6. Encourage local purchasing, local supply chain networks and corporate social responsibility
7. Promote Reading Town Centre as a climate friendly place to live, work, visit, shop and enjoy leisure time
8. Encourage involvement in the Climate Action Plan, CAN activities and taking the Pledge practice and taking the pledge to support the Reading zero carbon goal by 2030
9. Working across Berkshire with the economic development teams to deliver the nett zero supporting policies in the Berkshire Economic Strategy

REDA aims to support the Climate Strategy by:

- engaging businesses in discussion and action on climate change
- creating more investment in training provision in carbon reduction and mitigation, as well as education and skills training to upskill and re-skill the workforce
- championing a 'green' town centre in which we are all doing as much as we can.

Inequalities Strategy

Reading's Tackling Inequality Strategy (2023-2026) aims to reduce disparities in education, employment, and health across the borough. Led by Reading Borough Council, it focuses on closing the gap between the town's most affluent and most deprived areas.

Key Priorities:

- Education & Skills: Improve access to training and employment opportunities.
- Health & Wellbeing: Address life expectancy gaps and promote healthier lifestyles.
- Economic Inclusion: Support financial resilience and local business growth.
- Community Engagement: Strengthen partnerships and empower residents.

Initiatives & Approach:

- Place-Based Pilots in Church and Whitley wards to test targeted interventions.
- Collaboration with local organizations to enhance skills and job prospects.
- Data-driven policies to ensure equitable resource distribution.

Reading Economic Development Framework

The strategy aligns with Reading's Corporate Plan (2022-2025), ensuring a holistic approach to tackling inequality and improving quality of life.

Current Education Priorities

The key outcomes sought by Reading's Education Directorate in its Annual Standards and Attainment report. These focus on addressing the Council's' Inequalities Strategy by achieving shifts in the following areas.

- Getting the most vulnerable to attend secondary school consistently. Though Reading has amongst highest in education attainment nationally, there are inconsistencies across schools and there has been an increase in vulnerable children and NEETs.
- Reduced education inequality gaps at Key Stage 2 and Key Stage 4 attainment. These gaps are so far reducing more quickly in Reading than other areas. It is about helping to strengthen children's engagement with education in terms of accessing it and getting the required mentoring support that may be needed and developing the curriculum offer.

A key focus is on widening the access to opportunities for young people, addressing inequality, whilst increasing local skills within the workforce available to employers. This requires addressing the development of learning and training opportunities in the wider context of the economy, by working with the 14 to 19 partnerships, schools, businesses and all relevant agencies involved in destination planning. For this, a partnership process is needed to embrace adult education, New Directions, REDA, schools, colleges, the university, apprenticeship providers, interacting directly with businesses.

Additional priorities set out by the Education Partnership Board are developing sustained self-improvement processes across schools, by bringing learning communities and clusters together; reducing education inequality; supporting schools with complex support needs such as SEND and other conditions; and a workforce development strategy for education staff.

Public Health

Reading's Public Health Strategy focuses on preventing health inequalities and improving wellbeing for all residents. Led by Reading Borough Council, it addresses key health challenges through long-term initiatives.

Key Priorities:

- Reducing health disparities across different communities.
- Supporting individuals at high risk to lead healthier lives.
- Promoting mental health and wellbeing for all age groups.

Reading Economic Development Framework

- Encouraging active lifestyles and access to healthcare services.
- Enhancing environmental health through clean air and sustainable living.

Initiatives & Programs:

- Stop smoking support and substance recovery services.
- Mental health workshops and suicide prevention strategies.
- Healthy eating and physical activity campaigns.
- Public health data monitoring to guide policy decisions.
- Community Health Champions to engage local residents.

The strategy aligns with Berkshire West's Health and Wellbeing Strategy (2021-2030), ensuring a holistic approach to public health.

Culture and Heritage Strategy

Reading's Culture and Heritage Strategy (2015-2030) aims to establish the town as a centre of creativity and cultural excellence at regional, national, and international levels. It is monitored annually by the Cultural Partnership to track progress. Core Objectives:

- Enhanced Identity: Strengthen Reading's cultural profile and heritage.
- Increased Opportunity: Expand access to cultural activities and ensure inclusivity.
- Celebration: Promote heritage through events and initiatives.

Key Achievements:

- Reading Year of Culture 2016: A yearlong programme boosting cultural engagement.
- Abbey Quarter Heritage Zone: Established for conservation and public engagement.
- HSHAZ (2020-2024): Revitalizing historic shop fronts and public spaces.
- Business Partnerships: Providing free venues for artistic performances and workspace.

Recent Developments (2025):

- Reading Museum's Forward Plan (2025-2030): Aligns with Reading's Corporate Plan, launching the Roman Britain Reimagined gallery and pursuing grant funding.
- Public Realm Strategy (January 2025): Enhancing urban spaces.
- Library Investment: Upgrading facilities and opening a new Central Library in Spring 2026.

The strategy continues to evolve, ensuring responsiveness to community needs while fostering a thriving cultural and heritage landscape.

Business Improvement Districts

Reading Business Improvement Districts (BIDs) were established to enhance the town centre, addressing challenges like online retail competition, commuter habits, and public space

Reading Economic Development Framework

improvements. They are business-funded partnerships providing additional services beyond local authority provisions.

Reading Central BID (est. 2006): Focuses on retail and leisure in central commercial streets. It has contributed £2.5M private investment (2019-2024) and supports safety, deep cleaning, marketing, recycling, and community events. Key Achievements (2019-2024):

- Public safety: Business wardens, CCTV, and anti-social behaviour initiatives.
- Public realm: Seasonal events, floral displays, and deep cleaning.
- Environmental efforts: Recycling programs and urban greening.
- Business support: Marketing, job fairs, and visitor promotions.

Strategic Aims (2024-2029):

- Expand safety measures like CCTV and business wardens.
- Increase footfall via enhanced events and promotions.
- Strengthen environmental initiatives with Carbon Literacy training.

Abbey Quarter BID (est. for corporate sector): Supports professional businesses, staff wellbeing, and urban improvement. It secured £850K in partnership funding and played a key role in pandemic recovery efforts. Key Achievements (2019-2024):

- Safety & security: CCTV coverage, missing persons recovery, street pastor support.
- Wellbeing & business development: Training courses, networking, PA/EA community growth.
- Environmental impact: Recycling, wildflower zones, and reedbed installations.
- Community & events: Festivals, food markets, and heritage site activations.

Strategic Aims (2024-2029):

- Expand security, including pedestrian-friendly zones.
- Strengthen business engagement with training & data sharing.
- Grow sustainability initiatives and promote Net Zero efforts.

Both BIDs aim to make Reading's town centre safer, more attractive, and business-friendly, ensuring growth is environmentally sustainable and economically vibrant.

8.2 Alignment of Proposed Interventions

The alignment of the above intervention proposals with the strategic aims of this framework, those of the Berkshire Economic Development Strategy and the Council plan and the above policies is summarised below.

This is followed by an illustration of how the proposed interventions contribute to key economic issues.

Reading Economic Development Framework

Priority Transformational Interventions	Alignment with Berkshire Economic Development Strategy	Alignment with Council Plan	Other Strategic Alignment
<u>Intervention No. 1: A Levelled Up Skilled Workforce for Reading</u> <i>Thematic Aim: Inclusive Reading</i>	EP 1 Powering up productivity PWS1 Renewing the workforce for growth PWS2 Specialising in the skills for productivity PWS3 Driving up demand for higher level skills	Secure Reading's Economic and Cultural Success <i>In partnership with other Berkshire councils, facilitate the Connect to Work programme to support residents with long term health conditions into work.</i>	Contributing to the current priorities of the education directorate by facilitating destination planning and development of learning and training opportunities by bringing together education and skills providers and businesses. Accordance with LSIP, Berkshire economic development strategy and HE/FE and RBC education strategies.
<u>Intervention No. 2: Coherent Mobilisation of the South Reading Voluntary and Community Sector</u> <i>Thematic Aim: Inclusive Reading</i>	PWS1 Renewing the workforce for growth	Promote More Equal Communities in Reading <i>Tackle social and economic inequalities in partnership with the voluntary and community sector.</i>	Supports the Council Inequalities Strategy priority for Community Engagement, conducive to addressing the Education & Skills, Health & Wellbeing and Economic Inclusion priorities. Close attention needed to emerging Government policies on social regeneration and employment facilitation.
<u>Intervention No. 3: Boosted Investment in Reading's Key Sectors</u> <i>Thematic Aim: Smart and Sustainable Reading</i>	EP2 Investing in clusters and specialisms EP3 Increasing internationalisation BE5 Putting Berkshire back on the map	Secure Reading's Economic and Cultural Success <i>Promote the economic success of Reading by working with Councils across Berkshire and the wider Thames Valley.</i>	Addresses the strategic theme of Smart and Sustainable Reading: strengthen the economy and city centre for long-term resilience.
<u>Intervention No. 4: Enhancing Reading as an Advanced Technology Economy</u> <i>Thematic Aim: Smart and Sustainable Reading</i>	EP2 Investing in clusters and specialisms EP3 Increasing internationalisation EP4 Maximising the benefits of innovation BP1 Creating businesses for the future BP2 Generating Knowledge Economy diversity BP3 Promoting productivity heroes and high growth companies BP4 Growing the green economy BE1 Room to grow	Secure Reading's Economic and Cultural Success	Fundamentally addresses Invest 35 and Berkshire economic development strategy and Smart and Sustainable Reading: objectives

Reading Economic Development Framework

Priority Transformational Interventions	Alignment with Berkshire Economic Development Strategy	Alignment with Council Plan	Other Strategic Alignment
<u>Intervention No 5: Town Centre Place Making Blueprint</u> <i>Thematic Aim: Destination Reading</i>	EP2 Investing in clusters and specialisms PWS2 Specialising in the skills for productivity BE1 Room to grow BE2 Housing fit for the future	Secure Reading's Economic and Cultural Success <i>Continue to deliver quality cultural and leisure services and facilitate exciting improvements to our cultural offer through grant-funded projects.</i>	Delivers the required balancing of heritage, infrastructure, and sustainability with Reading's strategy to promote dense, central expansion, leveraging transformational projects, deliver modern housing and commercial spaces. Supports to Council's Culture and Heritage Strategy core objectives of Enhanced Identity: Strengthen Reading's cultural profile and heritage.
<u>Intervention No. 6: Animation of the Town Centre and South Reading</u> <i>Thematic Aim: Destination Reading</i>	PWS1 Renewing the workforce for growth BE5 Putting Berkshire back on the map	Secure Reading's Economic and Cultural Success <i>Continue to deliver quality cultural and leisure services and facilitate exciting improvements to our cultural offer through grant-funded projects.</i>	Supports the Local Plan aspiration for ensuring inclusive and supported growth so that development benefits the entire community. RBC Town Centre Strategy (currently awaiting adoption) and Public Realm Plan Supports the Council Inequalities priority for Community Engagement. Supports to Council's Culture and Heritage Strategy core objectives of Increased Opportunity: Expand access to cultural activities and ensure inclusivity.
<u>Intervention No.7: Accelerated Transport Infrastructure Funding</u> <i>Thematic Aim: City Region Reading</i>	BE3 Connecting Berkshire and beyond	Deliver a Sustainable and Healthy Environment and Reduce Reading's Carbon Footprint <i>Deliver improvements to public transport, cycling, and walking infrastructure in Reading.</i>	Supports the Reading Transport Plan's priorities of: priorities: <ul style="list-style-type: none"> • Enabling sustainable and inclusive growth • Connecting people and places • Embracing smart solutions
<u>Intervention No.8: Integrated Devolution Plans and Proposals</u> <i>Thematic Aim: City Region Reading</i>	BE5 Putting Berkshire back on the map	Secure Reading's Economic and Cultural Success <i>Maximise the benefits available for Reading from opportunities from the Government's plans to devolve power and funding to local areas.</i>	Addresses national strategies and policies on accessibility, net zero, AI and growth sector development, skills and anti-poverty.

Contribution of Proposed Interventions to Key Economic Issues								
Interventions/Economic Issues	1: A Levelled Up Skilled Workforce for Reading	2. Reduced Inequalities in Education, Skills and Employment	3: Boosted Investment in Reading's Key Sectors	4: Enhancing Reading as an Advanced Technology Economy	5: Addressing Priorities for Place Making and Urban Uplift	6: Animation of Reading's Attractions. Assets & Communities	7. Accelerated Transport Infrastructure Funding	8: Integrated Devolution Plans and Proposals
Employment and Skills Support for Young People <i>Supporting those facing inequality in the workplace.</i>								
Small Business Support								
Creative and Cultural Industries								
High Tech & Global Industries								
Emerging Growth Industries								
Start up and scale up business space								
Town Centre Retail and Hospitality								
Developing Reading as a Fun Place								
Acceleration of Key Infrastructure Investment								

9. Action Plan

A phased action plan for taking forward the above proposals is set out below.

Reading Economic Development Framework

Action Plan

	2025	2026				2027				2028				2029				2030			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Governance																					
Sign Off of Economic Development Framework																					
Establishment of Strategic Project Board	x																				
Agreement of project and monitoring protocols	x																				
Intervention No. 1: A Levelled Up Skilled Workforce for Reading																					
Sector focused workforce development plan		x	x																		
Green economy skills plan		x	x																		
Set up career destination planning partnership process																					
Formation of business skills board and a business network				x	x																
Survey of the training needs of businesses					x	x															
3 year skills and productivity action plan and pilot support exercises						x	x	x	x												

Reading Economic Development Framework

	2025				2026				2027				2028				2029				2030			
	Q4	Q1	Q2	Q3																				
Implementation of main programme										x	x	x	x	x	x	x	x	x	x	x	x	x	x	
Business cases for securing funds								x	x			x	x			x	x			x	x		x	x
Intervention No. 2: Coherent Mobilisation of the South Reading Voluntary and Community Sector																								
Mapping of all local groups and providers		x	x																					
Capacity-building support programme				x	x	x	x																	
Formal coordination and referral framework						x	x																	
Targeted outreach campaigns to inform residents about available support services.						x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
Intervention No. 3: Boosted Investment in Reading's Key Sectors																								
Establishment of enquiry handling for DBT referrals.			x	x																				

Reading Economic Development Framework

	2025		2026				2027				2028				2029				2030			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Bespoke marketing propositions		x	x																			
Engagement with all potential referral agents																						
Promotion activity to fill up existing town centre office space		x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
Supporting promotional activities promoting the Reading place brand		x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
Collaboration with Berkshire-wide inward investment promotion	x				x				x				x				x				x	
Intervention No. 4: Enhancing Reading as an Advanced Technology Economy																						
In-depth analysis of emerging growth industries, supply chains and support requirements.	x	x	x																			
Reading AI zone of excellence development plan			x	x																		
Incubation and flexible workspace funding and			x	x																		

Reading Economic Development Framework

	2025				2026				2027				2028				2029				2030			
	Q4	Q1	Q2	Q3																				
development strategy																								
Establishment of a high growth business support service				x	x	x	x	x																
Intervention No 5: Town Centre Place Making Blueprint																								
Town centre animation project plan		x	x																					
Measures to safeguard office space from permitted development																								
Proposals for rapid public transport solutions linking the town centre to the peripheral business and residential areas.				x	x																			
Policy and mechanisms for the recycling and renewal of outdated commercial buildings		x	x																					
Master planning to incorporate family size homes in or adjacent to Central Reading				x	x	x	x	x																

Reading Economic Development Framework

	2025					2026				2027				2028				2029				2030			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Intervention No. 6: Animation of Town Centre and South Reading																									
Project plans for the animation of the town centre, and South Reading.																									
Plan and proposals for community cohesion initiatives conducive to enhanced interaction			X	X	X																				
Define sources of business advice and support community infrastructure providers		X	X	X	X																				
Set up small grants regime				X	X																				
Launch support and resources for local groups				X	X																				
Proposals for public realm improvements				X	X	X	X	X	X																
Proposals for rapid bus links linking South Reading, town centre and employment hubs					X																				
Intervention No.7: Accelerated Transport Infrastructure Funding																									

Reading Economic Development Framework

	2025				2026				2027				2028				2029				2030			
	Q4	Q1	Q2	Q3																				
Over-arching case for addressing Reading's key transport priorities	x	x																						
Up to date project proposals for Park and ride and and other access enhancements.		x	x																					
Public-private sector collaborative approaches to building the case for funding.		x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	
Intervention No.8: Integrated Devolution Plans and Proposals																								
Overarching devolved framework and costed t proposals	x	x	x	x																				

Policy Committee

17 December 2025



Title	Land & Property Asset Disposal Policy
Purpose of the report	To make a decision
Report status	Public report
Executive Director/ Statutory Officer Commissioning Report	Emma Gee, Director of Economic Growth & Neighbourhood Services
Report author	Charan Dhillon, Assistant Director Property & Asset Management
Lead Councillor	Cllr Micky Leng, Lead Councillor Planning & Assets
Council priority	Ensure Reading Borough Council is fit for the future
Recommendations	<ol style="list-style-type: none"> That Policy Committee agrees that the Land & Property Asset Disposal Policy (Appendix 1) be approved, adopted and implemented.

1. Executive Summary

- This report seeks approval to adopt and implement a new Policy and procedure framework for the disposal of the Council's land and property assets.
- The proposed new Policy framework is in Appendix 1.

2. Policy Context

- The new Policy will replace the existing Policy Statement and Guidance Note for Premises Occupied by the Third Sector, which was adopted by Policy Committee on 15 February 2016.
- The existing Policy relates only to premises to be occupied and leased to the third sector. No other Policy exists covering all other disposals.
- The new Policy will supersede the current third sector Policy and formalise the Council's overall disposal process. It is aligned with the Constitution and delegations therein, and other relevant strategies, such as the Capital Strategy and Financial Regulations.

3. The Proposal

- It is best practice for the Council to adopt a Policy formally, so that the process for disposal of land and assets is transparent. The Policy will provide information about the Council's approach to sales and lettings, so parties interested in using, leasing or buying Council property, whether commercial or third sector are clearly informed of the process.
- The proposed Land and Property Assets Disposal Policy as attached in Appendix 1, applies to all disposals of property held by the Council:
 - Freehold disposals
 - Any leasehold disposals whether for a premium, on a commercial market rent basis

- or, subsidised community use basis
- Any Disposal at less than best consideration (where adherence to this Policy will ensure legal compliance)
- Longer term regeneration or development projects and partnerships that involve the sale or transfer of Council assets to unlock the scheme
- An exchange of Council owned land or buildings
- Granting of easements, options and other interests in land

It excludes:

- Residential properties within the Housing Revenue Account (HRA) (where Right to Buy rules will apply), statutory lease extensions and shared ownership disposals.

- 3.3 The Policy sets out the methodology by which properties will be identified for disposal and what can be expected to happen next. Assets will be reviewed on a cyclical basis or when Service needs change.
- 3.4 The Policy sets out the Council's legal obligation under Section 123 of the Local Government Act 1972, where the Council must obtain the best consideration reasonably obtainable when disposing of land and property.
- 3.5 The Policy outlines the requirements where the Council wishes to dispose land or property at undervalue, including the need to evidence that the disposal will promote economic, social or environmental wellbeing.
- 3.6 The Policy sets out the disposal process and procedure, including how land and property will be marketed, sold or leased.
- 3.7 The Policy sets out governance and responsibilities, outlining how decisions are made and by whom. It also provides details of how bids will be evaluated.

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, the following set of principles will guide us:
 - 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. The Land and Property Assets Disposal Policy will support the above strategic aims by disposing of property in a fair and transparent way with a clear set of standards by which interested parties can put forward their interest and offers.
- 4.4. The proposal supports the Corporate Plan Foundations of remaining financially sustainable to deliver service priorities in accordance with the Medium-Term Financial Strategy.
- 4.5. Disposing of surplus assets supports Council priorities as they can be re-purposed to respond to service demands including social care, housing, education, regeneration, supporting local growth etc.

4.6. Disposing of surplus property will reduce the Council's carbon footprint, therefore supporting the Council's drive to net zero.

5. Environmental and Climate Implications

5.1. The Council declared a Climate Emergency at its meeting on 26 February 2019 (Minute 48 refers).

5.2. Each disposal will be considered on its own merits in relation to all impacts including environmental and climate impacts. However, in general the disposal of assets will be positive in terms of the environment as the properties that are usually disposed of are obsolescent and in poor condition.

6. Community Engagement

6.1. In drafting the Policy, engagement has been undertaken with the third sector via Reading Voluntary Association (RVA), which generated a range of interest from the community and voluntary sectors.

7. Equality Implications

7.1 The Council has reviewed the scope of the proposals as outlined within this report and considers that the proposals have no direct impact on any groups with protected characteristics.

8. Other Relevant Considerations

8.1. None arising from this report.

9. Legal Implications

9.1. The proposed Assets Disposal Policy aligns with section 123(2) of the Local Government Act 1972 (S.123) whereby a council should not dispose of its land for a consideration less than the best that can be reasonably obtained in the market (Best Consideration), except with the express consent of the Secretary of State.

9.2. The General Disposal Consent 2003 removes the requirement for authorities to seek specific consent from the Secretary of State under S123 Local Government Act 1972 for any disposal where the difference between the unrestricted value of the interest to be disposed of and the consideration accepted ("the undervalue") is £2m or less.

9.3. If a sale at undervalue is greater than £2m then a Secretary of State specific consent is required.

9.4. The overriding consideration when deciding what constitutes Best Consideration is the commercial value of the asset that is capable of being assessed by a valuer. Best Consideration is the best value that can be achieved for the disposal of the property together with that which has commercial or monetary value to the local authority.

10. Financial Implications

10.1. The introduction of this Policy supports the disposal of our assets, supporting the Council's Medium Term Financial Strategy (MTFS) through delivering Capital receipts.

10.2. The value of the expected Capital receipts will be reported through the budget setting process.

10.3. This Policy aligns to the Council's Financial Regulations.

11. Timetable for Implementation

11.1. The Policy will be implemented immediately following approval by Policy Committee.

12. Background Papers

12.1. There are none.

Appendices

Appendix 1 - Land & Property Asset Disposal Policy

Reading Borough Council

Land & Property Asset Disposal Policy

Date December 2025
Published

Approved By Policy Committee – 17th December 2025

Author Assistant Director Property & Asset Management

Service Property & Asset Management

Directorate Directorate of Economic Growth and Neighbourhood Services



1. INTRODUCTION

This Asset Disposal Policy establishes the framework through which Reading Borough Council (RBC) manages the disposal of land and property assets. The policy seeks to ensure disposals are conducted transparently, deliver value for money and support the Council's strategic objectives, including economic development, regeneration, and community wellbeing.

The overarching policy that identifies and determines the disposal of property is the Council's Asset Strategy which balances Service and Corporate needs with optimising asset performance and delivering capital receipts in accordance with the Medium-Term Financial Strategy (MTFS).

2. SCOPE

This Policy applies to all property held by the Council in whatever capacity:

- Freehold disposals
- Any leasehold disposals whether for a premium, on a commercial market rent basis or subsidised community use basis
- Any Disposal at less than best consideration (where adherence to this Policy will ensure legal compliance)
- Longer term regeneration or development projects and partnerships that involve the sale or transfer of Council assets to unlock the scheme
- An exchange of Council owned land or buildings
- Granting of easements, options and other interests in land

It excludes:

- Residential properties within the Housing Revenue Account (HRA) (where Right to Buy rules will apply), statutory lease extensions and shared ownership disposals.

This Policy applies to every Member and Officer of the Authority and anyone acting on its behalf. This document complies with statutory duties and is in line with Government advice recommending that local authorities should have a document of this nature available for inspection and it is intended for use by Council Officers, Local Councillors, members of the public, third sector bodies and developers.

3. OBJECTIVES

Before disposing of any interest in land, the Council in accordance with the Council's Strategic Asset Management Strategy considers the combination of Service and Corporate needs and requirements. It will also consider the individual property and related portfolio performance including capital/revenue holding costs, service and property statutory compliance, income opportunity/opportunity cost, and the estimated capital value in the context of the Council's Medium Term Financial Strategy.

Assets will be reviewed on a cyclical basis or when Service needs change. An asset may be declared surplus when:

- It does not contribute to the Council's operational service delivery;
- The Council's strategic and corporate objectives are not supported;
- A more cost-effective alternative opportunity has been identified;
- It has no strategic or regeneration potential in the future;
- Whole or part of a site is vacant and likely to remain so for the foreseeable future and residual functions can be accommodated elsewhere;
- Services can be provided at other sites or by alternative means with partners;
- The income available from a commercial site is uneconomical;
- There is additional value generated from a capital receipt more than the value of the passing income or there is a unique market opportunity
- The asset is otherwise physically or economically not fit for purpose.

Recognising that land and property is a key enabler to promote economic, housing and community activity in the Borough, the Council has key objectives as set out in the Strategic Asset Management Plan in relation to the disposal of our property and landholdings:

- Being transparent about our property assets and our disposal principles to promote opportunities to others in a transparent and fair way that creates a level playing field for potential end users to access sites when they are declared surplus and brought to market.
- Not holding land or buildings longer than necessary.
- Making sure assets are disposed of to support local growth.
- That the disposal is completed in a timely and efficient manner.
- Carrying out disposals on terms that promote development, economic activity and growth, social wellbeing, and raise income and capital.
- In disposing of assets, the Council will be guided by its obligation to secure Best Consideration. Disposals are expected to be at market value predicated on the nature of the asset and any agreed mix of potential uses; however, disposal at less than best consideration may be considered in exceptional circumstances in accordance with legislation and this Policy.

Overall, the Council's Disposal Principles are:

- **Value for Money:** Achieve Best Consideration unless justified otherwise.
- **Efficiency:** The disposal is completed in a timely and efficient manner.
- **Transparency:** Clear processes and documentation.
- **Community Benefit:** Consider opportunities to promote social, economic, and environmental wellbeing of the area.
- **Sustainability:** Support net zero and biodiversity goals.
- **Equality:** Assist the Council to achieve the Public Sector Equality Duty.

4. LEGAL & STRATEGIC FRAMEWORK

4.1 Statutory Context

Under Section 123 of the Local Government Act 1972, the Council must obtain the **best consideration reasonably obtainable** when disposing of land and property. This is the Council's overarching legal duty and is the mainstay of all disposals. Best consideration means the highest price or most advantageous terms that can reasonably be obtained for the property. It relates to obtaining the highest financial offer and can include other property elements with commercial value that are assessable by a qualified Valuer or other elements with commercial value assessable by other appropriate or qualified officers. All property disposals will be marketed and sold for best consideration. This enables the Council to demonstrate compliance with the law, its fiduciary duties, and to assist with financial planning particularly in respect of scheduling receipts for the Capital Programme.

For the purposes of Section 123, a disposal includes the sale of a freehold, the grant of a lease of more than 7 years, assigning any unexpired term of a lease, and the grant of an easement. It may also extend to the grant of an option to purchase a freehold or to take a lease. Section 123 does not apply to the grant of a short-term tenancy of less than seven years or an assignment of an existing term with no more than seven years to run, however the Council will normally seek to apply the same principles to such disposals in order to demonstrate compliance with its over-riding duty to achieve Best Value.

4.2 Disposals at an Undervalue

It is recognised that there may be circumstances where an authority considers it appropriate to dispose of land at an undervalue.

Authorities should clearly not divest themselves of valuable public assets unless they are satisfied that the circumstances warrant such action, however, when disposing of land at an undervalue, authorities must remain aware of the need to fulfil their fiduciary duty in a way which is accountable to local people.

The General Disposal Consent 2003 removes the requirement for authorities to seek specific consent from the Secretary of State under S123 Local Government Act 1972 for any disposal where the difference between the unrestricted value of the interest to be disposed of and the consideration accepted ("the undervalue") is £2m or less.

If a sale at undervalue is greater than £2m then a Secretary of State specific consent is required.

The General Disposal Consent was issued to give local authorities a degree of autonomy to carry out their statutory duties and functions, and to fulfil such other objectives as they consider necessary or desirable.

The criteria require that the Council considers the purpose for which the asset is to be disposed is likely to contribute to the achievement of any one or more of the following objectives as set out in the General Disposal Consent:

- (i) The promotion or improvement of economic well-being

- (ii) The promotion or improvement of social well-being
- (iii) The promotion or improvement of environmental well-being

The General Consent does not lessen the requirement for the Council to exercise sound judgement in considering the economic, social, and environmental benefits of a disposal at less than best consideration, weighed against the foregone value of the asset.

There has been much case law confirming a council must exercise its fiduciary duties reasonably. The public law principles require the Council to have regard to the material consideration on the financial accounts with respect to capital and revenue impacts of any decision.

In determining whether to dispose of land at an undervalue, the Council will ensure that it complies with normal prudent commercial practices. This includes:

- Obtaining written confirmation from a professionally qualified Valuer as to the amount of the undervalue between the highest market offer or independently assessed open market value and the proposed purchase price as part of a section 123 Best Consideration Certification.
- In considering a proposal for any disposal at an undervalue, there must be demonstrable evidence that the outcome will be beneficial as compared to a disposal at market value and will be for the well-being of the whole or part of the area.
- If possible, the social, economic, or environmental benefits, which are the basis for justifying a disposal at an undervalue, should ideally be quantified in monetary terms.
- Where a disposal is undertaken at less than Best Consideration, then to protect the Council's interest in the event of subsequent sales, it will include appropriate restrictions on title or a commercial mechanism to capture a share in any future uplift in value.
- Exercise extreme caution in considering any sale at less than best consideration because of the risk of the sale being regarded as a subsidy and therefore liable to state aid rules and competition laws. Therefore, the advice of the Assistant Director of Legal and Democratic Services will be sought in such cases.

5. GOVERNANCE & RESPONSIBILITIES

The Council's agreed Key Decision criteria provide that all capital expenditure items over £2.5m are to be matters reserved to Policy Committee as are capital receipts.

Below the Key Decision criteria threshold, the Assistant Director has power to dispose of assets. Normally, Lead Councillors will be consulted on all disposals to allow them to call-in any matter to Policy Committee where there is a wider public interest for the decision to be made in public at Committee.

5.1 Delegation is as below -

Role	Responsibilities
Executive Director Economic Growth & Neighbourhood Services	Strategic oversight agreement in all disposals.
Assistant Director Legal & Democratic Services / Monitoring Officer	Legal compliance, conflict checks, and documentation, confirming legal compliance. Legal input, contractual and legal documentation.
Chief Finance Officer (S151 Officer)	Financial oversight and reporting and agreement in all disposals of whatever value as these will need to assure the auditors that the procedures in this document are working correctly. Financial, input, recording and audit trail.
Assistant Director of Property & Asset Management	Asset identification, business cases, negotiation, recommendation, and disposal execution. Delegation for capital up to £2.5m or Revenue matters up to £500k per annum.
Policy Committee	Agreement to disposals above £500k per annum Revenue or £2.5m Capital.

When disposing of a surplus council asset, the report recommending the disposal will include the following documentation -

- Robust evaluation and comparison of bids by Property & Assets in consultation with Services.
- Officer report from the RBC Voluntary & Community Sector Partnership Management Team evaluating any third sector bids.
- Recommended Heads of Terms
- Appropriate officer delegation
- Section 123 Certificate, normally from an independent/external Chartered Valuation Surveyor.
- Location Plan.

5.2 Responsibilities

Assistant Director Property & Asset Management ,

- To negotiate and agree terms for the disposal of land and property by the most appropriate method of sale and in accordance with such policy as may be determined by Council and to consult with and subsequently instruct the Assistant Director of Legal and Democratic Services to contract the transaction accordingly.
- To negotiate and agree, terms for the disposal by the most appropriate method of sale of areas of land and premises up to a value of £2.5 million and to instruct the Assistant Director of Legal and Democratic Services to contract the transaction accordingly.

- In consultation with the Executive Director for Economic Growth & Neighbourhood Services, to offer land and/or premises for disposal at auctions where the estimate of value does not exceed £2.5 million, subject to compliance with this policy.
- Identifying assets surplus to service or corporate requirements;
- The disposal of any parcel of land or property which is surplus to council requirements ensuring compliance with this policy and S123 and therefore best consideration when recommending the successful bidder;
- The grant of leases to third parties and/or organisations;

Assistant Director of Legal and Democratic Services & Monitoring Officer

- To sign off and authorise on behalf of the Council any express or implied undertakings for the disposal and acquisition of land to be given by a Council officer.
- To confirm that all necessary statutory or other authorities in connection with the disposal have been agreed.
- Be consulted by the Assistant Director Property & Asset Management on terms for the disposal of land and property if there is a potential conflict including where there is a relevant entry in the Members Register of Interests and the Employees Register of Interests.
- Be consulted by the Assistant Director Property & Asset Management on the offer land and/or premises for disposal at auctions
- Be consulted by the Assistant Director Property & Asset Management if there is a potential conflict including where there is a relevant entry in the Members Register of Interests and the Employees Register of Interests.

Legal Services is responsible for providing necessary and appropriate legal advice as required and for completion of all legal paperwork including contract documentation for the acquisition and/or disposal of land and/or property whether the transaction is on a freehold or leasehold basis, together with associated legal advice.

Director of Finance / Chief Finance Officer (Section 151 Officer)

The Chief Finance Officer is responsible for maintaining a continuous review of Financial Regulations and Procedures and checking that this policy aligns with the Financial Regulations, as well as responsibility for reporting breaches of Financial Regulations and Procedures to Council.

The Chief Finance Officer will lead in obtaining approval by Policy Committee for the proposed Medium Term Financial Strategy for the forthcoming financial year which will incorporate the upcoming disposals schedule.

Finance is responsible for ensuring transactions relating to the disposal of land and/or property are properly recorded in the financial records of the Council.

6 THE DISPOSAL PROCESS

As part of its Asset Management Strategy, the Council will regularly review the purpose, value and condition of its assets and consider whether a business case for disposing of an asset should be explored.

The decision-making process will be informed by its Asset Challenge Tool contained in the Strategic Asset Management Strategy that will enable officers to consider the relative value of assets within the Council's portfolio, considering financial value alongside environmental, social, and economic wellbeing considerations.

6.1 Capital Planning and Governance

The annual budget setting process will require the Asset Management Service to provide a business case outlining all recommended disposals for the upcoming year.

The associated business case will outline which properties will be advertised on the open market only because the key aim is to generate the highest capital receipt to support the MTFS.

Where there is a possibility of the asset offering additional economic, environmental, or social well-being then this will be identified to allow Councillors to explore a business case which may involve a disposal at an undervalue.

Where an asset is identified with that potential, it will be advertised via the Council's Voluntary Sector Partner to invite third sector bids as well as open market bids with the objective to still achieve best consideration, but also allow for bids which offer economic, environmental or social well-being benefits to the Council.

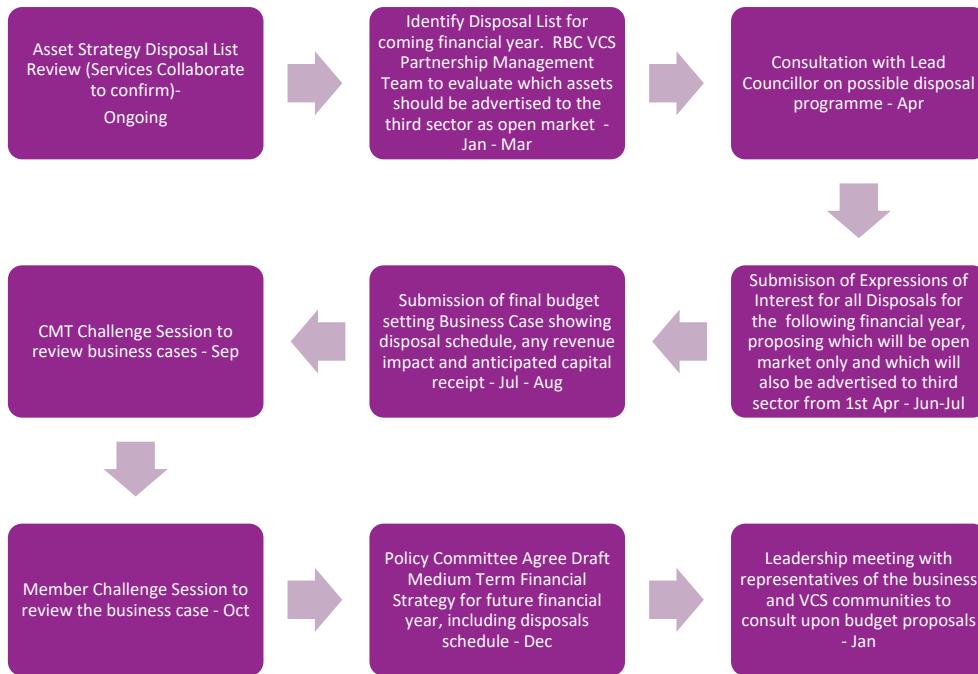
Any identified assets will be considered and approved by Council as part of the MTFS annual budget-setting process.

The process requires a business case to be produced during the annual budget setting stage by the Assets Team. This will detail all the upcoming assets for disposal, the estimated value of the asset, reason officers are declaring the asset surplus and the marketing approach. Once senior officers and members agree the list of assets to be disposed through the annual budget setting process, only then will assets progress through to marketing.

In accordance with Councils Corporate Asset Strategy the process for identifying disposals will entail internal consultation with the relevant Services at an initial stage to consider the merits of a disposal along with any potential operational service issues or problems that might need resolving in advance of bringing a property to market or that might make a disposal inadvisable.

The assessment will consider the asset being used for other purposes that respond to the Council's Corporate or Service objectives i.e. Housing, Regeneration, Special Educational Needs provision, Adult Social Care, Children's Home etc.

6.2 Council Disposal Process



Where the value exceeds £2.5 million, the matter will be submitted to Policy Committee in line with the Key Decision criteria for approval.

The report seeking authority to sell the property will include:

- Ownership/Title summary;
- Asset summary;
- Market summary and marketing proposal;
- Estimated value;
- Location plan;
- Outcome of Service/ Corporate use review;
- Summary of financial implications;
- Legislation and Secretary of State guidance, governing the disposal process;
- The proposed method of disposal and explanation as to why that option has been chosen;
- Confirmation from legal whether any case specific legislative or common law criteria apply;
- Confirmation from procurement as to whether the transaction is caught by the public procurement rules;

- Confirmation from Finance as to the timing and priority of a capital receipt.

6.3 Record Keeping

Files will be maintained for every disposal by the Strategic Asset Manager (property file) and the Monitoring Officer (legal file), and these files will be accessible by Internal/External audit.

The property file will contain all correspondence to verify how the authority made the decision to dispose, including a copy of the appropriate Policy Committee minute authorising the sale or an Officer Decision form, initial estimate of market value and the Section 123 report by a qualified Valuer or Property Agent confirming that the offer to be accepted is Best Consideration by a Chartered Valuation Surveyor or commercial agent as applicable.

The legal file will contain a copy of the Legal Instructions, any correspondence in relation to the matter, any necessary specific legal advice the contract documentation, confirmation of all checks, searches and investigations in relation to the title of the property, money laundering compliance, any relevant legal advice provided, best value confirmation from the instructing officer and a completion statement.

A completion statement will be passed to:

- Executive Director of Economic Growth and Neighbourhood services
- Assistant Director of Property and Asset Management
- Monitoring Officer
- Chief Finance Officer

Receipts from the disposal of General Fund assets will be treated as a corporate resource for use by the Chief Finance Officer in the most appropriate manner and not earmarked for specific projects.

Receipts for the disposal of Housing Revenue Account (HRA) assets will be used in accordance with the Housing asset strategy and appropriate business.

6.4 Method of Disposal – Open Market

- a. A surplus asset will be advertised on the open market unless in a Special Purchaser situation. A special purchaser is a party who has a particular reason to pay more than the open market value, usually by virtue of an existing leasehold interest or an adjoining freehold interest. This is often referred to as having 'marriage value'. In the context of property, 'marriage value' refers to the increase in a property's overall value when a leaseholder extends their lease or buys the freehold, compared to the combined value of the separate interests before the extension or purchase. It is the additional value created when the leasehold and freehold interests are combined. It may also occur when the

owner of an adjoining property buys the subject property as it facilitates a more comprehensive development or buys out a ransom strip. As this process will not involve using a market process to assess best consideration, RBC will engage an independent valuer who will provide a professional opinion backed up by professional indemnity insurance cover.

- b. Bidders are required to provide information necessary to make a clear determination of Best Consideration including price, purchase terms, contextual information (i.e. proposed use including any change of use, development etc.), buyer covenant and proof of finance and funding.
- c. Decision to dispose to a preferred bidder is made in accordance with the Council's Constitution (including the Scheme of Delegation) with explicit reference to the Section 123 Best Consideration requirement.

Sales of properties on the open market will be by way of one of the following methods:

- Formal tender
- Auction

In special purchaser situations, the method of disposal will be by way of private treaty.

The method of disposal will be selected according to the type of property being disposed and other factors such as the time requirement. For example, the disposal of a former dwelling in need of refurbishment may best be sold by way of auction, particularly if a capital receipt is required before the end of the financial year. The method of disposal may also change according to events in the transaction. For example, a property may initially be marketed by tender, but if this fails to produce a successful transaction, then the property could be offered for sale by way of auction. If a transaction does not complete with a special purchaser, the property may be brought to the open market by one of these methods, such as a formal tender.

6.5 Marketing Process

Each of the above methods of disposal will involve a marketing and advertising process and period appropriate to:

- The method of disposal
- The type and nature of the property

The purpose of the marketing and advertising strategy is to reach as many interested parties and prospective purchasers as possible. The Assistant Director Property & Asset Management will seek advice from agents to establish the best disposal route and sales pack for each asset, with the priority objective being to achieve best value.

7 THIRD SECTOR DISPOSAL PROCESS

Reading has a vibrant, effective, and committed Voluntary and Community Sector. Among the Sector's many positive impacts supporting residents and enhancing the town's cultural opportunities, it makes a significant contribution to social inclusion and community cohesion in Reading.

Although the Council and the groups and organisations in the voluntary and community sector are separate, there is a long history of working together in partnership for the benefit of our residents and the Council respects and values the independence of the Sector.

The Council recognises that securing suitable accommodation or a local asset can be a significant step in enabling a local voluntary and community organisation to deliver wider social, economic, and environmental wellbeing benefits for our residents.

A Third Sector organisation is one whose primary purpose is to create social impact rather than generate profit. An organisation which is independent from government and the private sector and typically reinvests any surplus back into their social mission.

Key Characteristics include:

- **Non-profit driven:** Their main goal is to benefit the community or a specific cause, not to make money for owners or shareholders.
- **Independent:** Operate separately from government, though they may receive public funding or work in partnership with public services.
- **Diverse in form:** Includes charities, community groups, co-operatives, community interest companies (CICs), credit unions, and social enterprises.
- **Locally rooted:** Organisations who are embedded in their communities and provide place-based solutions tailored to local needs

Disposing of a surplus Council asset to a third sector organisation will include specific additional requirements and criteria to that for the open market to enable the Council to determine its value to Reading residents and to take decisions in line with the legal requirements and guidance detailed in section 4 of this policy.

The Council will reserve the right to include in any disposal agreement an overage clause that will require the successful bidder to pay the Council additional money in the future if a specific “trigger event” increases the property’s value i.e. due to the bidder changing use from the original proposal and selling the asset.

Once a less than best consideration disposal is contemplated in the MTFS process, there will need to be a robust business case to account for the amount by which the disposal price is less than best consideration.

If the Council is willing to forego income in favour of receiving benefits: in effect, that is an opportunity cost which must be justified in the same way as any other expenditure or investment would have to be justified.

The process requires a business case to be produced during the annual budget setting stage by the Assets Team. This will detail all the upcoming assets for disposal, the estimated value of the asset, reason officers are declaring the asset surplus and the marketing approach. Once senior officers and members agree the list of assets to be disposed through the annual budget setting process, only then will assets progress through to marketing. Any third sector organisation wishing to bid for a qualifying asset being marketed will be required to complete the bidding pack document as in

Appendix 1. This documents also provides guidance on how a third sector organisation should complete their proposal and details of support.

The Capital Receipts programme will be built on the disposals programme incorporating identified cases for disposals at less than best consideration.

7.1 Post February Budget

Each disposal approved in the budget as possibly less than best consideration will proceed to marketing via the Council's Voluntary Sector Partner and open market.

All third sector bidders will be required to submit the completed bid pack in Appendix 1.

This stage will require the Third Sector bidders to address in detail the following criteria:

- Clarify the precise consideration to be paid.
- Demonstrate the ways in which the social, economic, or environmental objectives of the Council will be met by the Third Sector proposal.
- Quantify as far as possible (preferably in financial terms or with reference to established mechanisms) the benefits which will be delivered by the proposal.
- Demonstrate ability to deliver the business plan (assurances on financial and governance mechanisms to deliver the business plan).
- Demonstrate that the asset will be appropriately maintained for the Borough without further call on Council resources.
- Demonstrate that good value for money, or otherwise, will result from the proposal.
- Secure approval of other funders based on the proposal and submit evidence of this with their bid.
- Secure any other consent that may be required.

When submitting a bid for a surplus Council asset, a Third Sector bidder must ensure that their bid is consistent with the following requirements:

- Supports the objectives of the Council Plan.
- Meets an identified need for social, economic, or environmental well-being, linking to the Council's Social Value Policy.
- Be robust and realistic.
- Enhance what the voluntary and community sector organisation provides within the borough.
- Not be a solution to resolve an existing and ongoing viability issue.
- Not be a benefit that meets the criteria of the Subsidy Control Regime.
- Have an accurate quantifiable benefit that the voluntary & community sector organisation can articulate.

- Enable the Council to demonstrate the best value use of Council resources
- Have regard to other relevant legislation and Reading Borough Council policies.
- Evidence ability to fund the proposal i.e. a letter from the proposed grant funding organisation confirming support for the proposal, evidence of the organisation's accounts etc.
- Evidence of financial means and practical experience to maintain the asset.

An inability to satisfactorily meet these expectations will be viewed as a substantial risk to the viability of any bid.

Appendix 2 illustrates how their bid will be evaluated.

7.2 Valuing nonmarket impacts

It is necessary to put, as far as possible, monetary values to benefits (i.e. social value), which might otherwise only be expressed descriptively. This is important to assess the extent to which the undervalue, i.e. the difference between best consideration and the consideration assessed as payable or offered, is matched by the value of well-being benefits.

Social value is measured through various frameworks and methodologies, with Social Return on Investment (SROI) being a widely used approach. SROI quantifies the social impact of an organisation's activities by assigning monetary values to benefits and costs, then comparing them to the initial investment. Valuers will not evaluate Social Return on Investment. RBC Voluntary & Community Sector Partnership Management Team or lead service (whichever is appropriate for the proposed use) will evaluate all Third Sector bids, using the criteria as outlined in Appendix 2.

It is expected that any organisation seeking to benefit from a disposal at less than best consideration will invest time and resource to provide a suitable assessment of SROI before the Council agrees without prejudice a disposal at less than best consideration.

The RBC Voluntary & Community Sector Partnership Management Team or Culture Team (depending on the bidding organisation's proposed use) and the wider bid evaluation team will need to make it clear where monetary values can be, and has been, put to the benefits, and where this has not been possible. In the latter case, the evaluation method used should be clearly stated and the results clearly given.

7.3 Support for Third Sector Bidders

7.3.1 Reading Borough Council's Support to the Third Sector –

Reading Borough Council recognises that opportunities to bid for surplus Council assets will not always happen at the most opportune time for third sector organisations.

To assist in helping third sector organisations understand the process by which surplus assets will be disposed of, and to enable these organisations to share their asset needs with the Council, several ongoing engagement activities will be maintained. Specifically, these include:

- Enabling local third sector organisations to submit details at any time of any accommodation needs that they have which may be able to be supported by existing council-owned assets
- Routinely attending the Voluntary & Community Sector Community Buildings Forum
- Hosting monthly Voluntary & Community Sector Intelligence Network meetings
- RBC contact Reading Voluntary Action (RVA) to advise of an upcoming disposal that is appropriate to be considered for third sector disposal and provide a brief overview of the property in advance of marketing.
- RBC provide Reading Voluntary Action with the bidding pack (see Appendix 1). This will consist of a front cover listing what is included in the pack i.e. the scoring matrix, the application etc.

7.3.2 Council's Voluntary Sector Partner's Support to the Third Sector –

- The Council's Voluntary Sector Partner will market the property via their E-Newsletter with a link to the open market disposal process (e.g. sales pack/bidding deadline etc). RBC officers will ensure sufficient notice is given to their Voluntary Sector Partner, so that the 8-week period for bids to be received lines with the next E-Newsletter. The partner will also advertise through their Community Buildings Forum.
- They will provide notice of the disposal and request that interested Voluntary & Community Sector (VCS) organisations can contact them for a copy of the bidding pack. This will help ensure that only VCS organisations use this process and that the Council's partner can support interested parties with any follow-on support should they need it to submit their application.
- The Council's Voluntary Sector Partner will provide advice on completing the applications, constructing business plans or otherwise provide advice or support to bidders in completing their bids and submitting their proposal. An example of advice provided with the Council's current partner can be found on the following website: <https://rva.org.uk/advice-service/> This will be in person, over the phone and via email and in line with the range of support indicated above in the link.
- The Council's Voluntary Sector Partner will support groups with funding and wider governance support related to buildings as well as connecting potential partners in the town through the networking at the Community Buildings Forum.
- The Council's Voluntary Sector Partner will keep records of all interactions with VCS groups seeking advice.
- All bids will be sent to RBC Voluntary & Community Sector Partnership Management Team direct, so they can be evaluated in the same timeline as private bids.
- RBC will evaluate the bid from a Property and Service perspective, seeking an assessment internally from the relevant services and provide feedback on the decision-making process and the final decision.

8 EVALUATION & DECISION-MAKING PROCESS

As outlined in section 4 above, under section 123 of the Local Government Act 1972, the Council must obtain the best consideration obtainable when disposing of land and property. This is the Council's overarching legal duty and is the mainstay of all disposals. Best consideration means the highest price or most advantageous terms that can be obtained for the property. It relates to obtaining the highest financial offer and can include other elements with commercial value that are assessable by a qualified Valuer.

All property disposals will be marketed and sold for best consideration based on the proposed terms of the disposal. This enables the Council to demonstrate compliance with the law, its fiduciary duties, and to assist with financial planning particularly in respect of scheduling receipts for the Capital Programme.

All third sector and open market bids are subject to a formal evaluation process as outlined in Appendix 2 & 3 and this will be used to determine the outcome of all bids received. The prospective purchaser or lessee will be expected to pay the Council's reasonable legal and surveyor costs incurred in the transaction.

RBC Voluntary & Community Sector Team or lead Service (whichever is appropriate based on the proposed use) will evaluate all thirds sector bids, applying the methodology assessing Social Return on Investment and other key requirements as outline in Appendix 2 (third sector evaluation form).

The Asset Management Team will evaluate all open market bids. Where assets are marketed to open market only and a third sector bid is received, this will be passed to the RBC VCS or Cultural Service to evaluate.

Appendix 1 – Third Sector Bidding Pack

SUBMITTING BIDS

Voluntary and community organisations are invited to submit their proposals by 12 noon on (insert date). Applications and accompanying documents should be sent to:

- Mark Redfearn (Policy Manager): mark.redfearn@reading.gov.uk

Officers will assess bids on the basis of the value provided to Reading Borough Council of releasing the property in accordance with the Council's Asset Disposal Policy.

The freehold of the property is being advertised on the open market by the Marketing Agent.

Click on this link to access Marketing Particulars:

<https://s3-eu-west-1.amazonaws.com/agents-society-assets-files/pdf/b6a62e0371da152087a6bf0682116ffa.pdf?t=1725370592>

INFORMATION REQUIRED WITHIN BIDS

Interested voluntary and community organisations should submit a bidding application form based on the following:

- **Proposal for use of the property**

Please provide an outline of your proposed use of the property and how this will benefit local residents and supports the following ambitions of the Council Plan:

- Promote more equal communities in Reading
- Secure Reading's economic and cultural success
- Deliver a sustainable and healthy environment and reduce Reading's carbon footprint
- Safeguard and support the health and wellbeing of Reading's children and adults
- Ensure Reading Borough Council is fit for purpose

- **Basis of your offer**

Please state whether the offer is subject to any terms and conditions such as building survey, planning permission, 3rd party funding etc

- **Building summary**

Please set out a summary of the building in terms of current condition, potential opportunities and suitability for your proposed use.

Please set out in sufficient detail a programme of any maintenance or improvement works you would wish to carry out at the property together with a cost summary and any related dependencies such as Local Listing, Building Regulations, Planning Permission etc.

Supporting Information

Please complete the application form with the following information to support your bid:

- Details of your bid offer
- Details of your organisational structure including legal status, constitution, terms of reference, and any other relevant information
- A description of your current activity in Reading and how it has benefitted local communities or added value to local services
- Audited accounts for the last two financial years
- Evidence of the ongoing viability of your organisation, including any confirmed funding or alternative sources of income
- Evidence of your experience in managing a property
- Evidence of your ability to undertake any necessary alterations to the property for it to enable your stated ambitions for it
- Evidence of access to an experienced property manager on an ongoing basis
- Business Plan and budget to support your proposal specifically addressing matters relating to the proposed use and the building condition
- A timetable for implementation of the business plan, including any key dependencies
- Details of the expected quantifiable benefits this property will enable you to deliver
- Consideration of Subsidy Control Regime implications

LEGAL COSTS

The purchaser to pay the Council's reasonable legal costs including any abortive costs should a transaction not complete

VIEWING AND FURTHER INFORMATION

- **Viewings -**
All viewings by block viewing appointment with the appointed marketing agent only – details in web link above.
- **For information on the bidding process including an Application to Bid, please contact:**

Herjeet Randhawa
Reading Voluntary Action
The Community Place
3rd floor, Reading Central Library
Abbey Square
Reading
RG1 3BQ

Email: herjeet.ranhawa@rva.org.uk

Direct line: 0118 9372104
Switchboard: 0118 9372273

Reading Voluntary Action can provide advice on completing applications, constructing business plans or otherwise provide advice or support to bidders in completing their bids and submitting their proposal. Here is the range of advice Reading Voluntary Action offer through the Advice Service:

<https://rva.org.uk/advice-service/>

This will be in person, over the phone and via email and in line with the range of support indicated above in the link.

Reading Borough Council

DISPOSAL

(INSERT PROPERTY ADDRESS)

BIDDING OPPORTUNITY

In accordance with Asset Disposal Policy

Opens (Insert Date)

Deadline: NOON (Insert Date)

Return to:
Social Inclusion & VCS Partnerships Manager
Reading Borough Council
Civic Offices
Bridge Street
Reading RG1 2LU
mark.redfearn@reading.gov.uk



REQUIRED DOCUMENTATION

Please ensure that the following documentation has also been submitted with this bid proposal:

Independantly examined or audited accounts (as appropriate) for the last 3 years.

Yes

No

A detailed Business Plan for the acquisition and utilisation of the property.

Yes

No

INFORMATION ABOUT YOUR ORGANISATION

Name of organisation

Name of organisation
Registered Office
address of organisation
Correspondence address (if different from above)

Contact names

Main contact

Second contact

Daytime telephone
Evening telephone
Email address

Does the main contact
have any communication
needs

Contact names	Main contact	Second contact
Daytime telephone		
Evening telephone		
Email address		
Does the main contact have any communication needs		

What is the status of your organisation?

- Voluntary Organisation
- Registered Charity
- Charitable Incorporated Organisations
- Cooperative
- Community Interest Company
- Company Limited by Guarantee
- Social Enterprise
- Social Enterprise
- Registered Care Provider
- Other please specify:

Please provide any associated reference or identification number related to the status of your organisation:

Is your organisation located within Reading Borough?

Yes No

How long has your organisation operated from this location?

XX Years

What other locations has your organisation operated from over the past 10 years?

MANAGEMENT OF YOUR ORGANISATION

When was your organisation formed?

Date

Does your organisation have a Management Committee?

Yes No

Please state the number of employees within your organisation:

Please state the number of volunteers within your organisation:

Please list any quality standards or accreditations that your organisation holds:

Does your organisation have a professional property manager?

Yes No

Please summarise the aims & objectives of your organisation:

(200 words max)

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FINANCIAL INFORMATION

Please complete this section from your organisation's latest annual accounts. These should not be more than 12 months old.

FINANCIAL SUMMARY FROM YOUR MOST RECENT ANNUAL ACCOUNTS:

Total income	£
Total expenditure	£
Surplus or deficit	£

PLEASE PROVIDE DETAILS OF YOUR INCOME:

Do not leave any section blank – write N/A if the source of income is 'Not Applicable'

Sources of income	£ amount
RBC grant	£
RBC contract	£
Funding from other statutory bodies	£
Fundraising from other sources	£
Investment income, including bank interest	£
Fees or charges	£
Subscriptions	£
Other [please specify]:	£
Other [please specify]:	£
Other [please specify]:	£

Please supply details of any additional sources of income.

Please supply details of any debts or ongoing financial commitments for your organisation.

Please supply details of any contractual arrangements with Reading Borough Council.

RESERVES: Calculate any free reserves held by your organisation using the balance sheet or statement of assets and liabilities in your latest accounts. 'Free Reserves' means money not allocated for a specific purpose.

Free Reserves / Savings	£
-------------------------	---

If you have Free Reserves of more than 12 months' expenditure what are these to be used for?

£ amount	Purpose

VALUE OF YOUR OFFER

Please state your proposed purchase price for the property:

£

CONDITIONS RELATING TO YOUR OFFER

Please state whether the offer is subject to any terms and conditions such as building survey, planning permission, or 3rd party funding

Please provide the name(s) of any current tenants within the property:

Tenant 1

Tenant 2

Tenant 3

More:

Please provide details of any proposed uses, building works or improvements that will require further approval(s):

Does your offer represent a benefit that meets the criteria of the Subsidy Control Regime? (<https://www.gov.uk/government/collections/subsidy-control-regime>)

Yes

No

YOUR PROPOSAL

Please summarise your business plan for successfully acquiring and using the property.

(500 words max)

What is your experience of managing buildings (including, if applicable, managing Listed buildings)?

(250 words max)

Please set out a summary of the building in terms of current condition, potential opportunities and suitability for your proposed use.

(500 words max)

Please set out in sufficient detail a program of any maintenance or improvement works you would wish to carry out at the property together with a cost summary and any related dependencies such as Building Regs., Listed Building Consent, etc...

SUPPORTING THE PRIORITIES OF READING BOROUGH COUNCIL

Describe how your organisation supports the priorities of the Council?

(<https://www.reading.gov.uk/the-council-and-democracy/council-strategies-plans-and-policies/corporate-plan/>)

(250 words max)

Describe accurately what quantifiable benefits (including financial benefits) your proposal will provide for residents of the borough.

(500 words max)

Guidance for Third Sector Bidders

What is Social Value?

Social value means the good things an organisation does to help people, not just about money. Social impact is when an organisation does something to make life better for others. There are many things that this could be, but some examples include: helping people feel healthier and happier, teaching new skills, helping schools, or giving support to people who need it most.

How do I show my organisation's social value impact?

There are a number of ways that you can show your organisation's social value. The starting point is understanding where your organisation has the most impact. If you have a strategy then your social value is likely to be written into an action plan that you have created to support your strategy.

If you do not have either of these documents that is ok as well.

Here is a guide to writing a [strategy](#).

You can also create a theory of change; this document looks at the need that you are trying to address through your work. If you are looking for a robust [tool](#) this might be the document for you.

It is good to know what you are measuring before you start delivering your work, as retrospectively measuring can be difficult and you may miss the opportunity to gather important information.

What should I measure?

This depends on what your organisation does, a good place to start can often be what difference your organisation is trying to make.

However, here are some good examples of what you can use to help you make that decision.

- If you are applying for funding, or want to apply for funding, check out what your grant making body is prioritising by looking at their strategy. For example if you are applying to Reading Borough Council you can look at their corporate plan [here](#).
- If there are other organisations that you are applying to or would like to work with check out their plans as well, here is a [list](#) of helpful strategies that Reading Voluntary Action has pulled together.

How do I measure social value?

Again, there are a huge number of tools and measures.

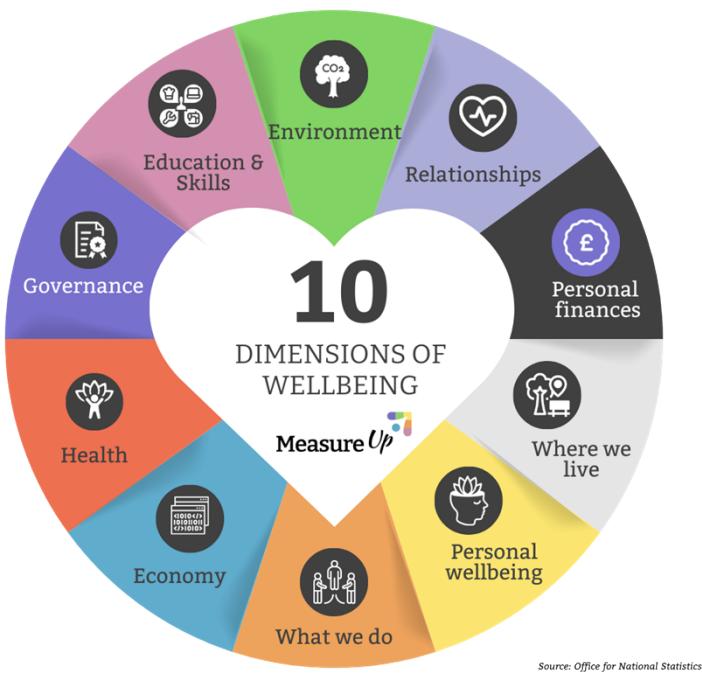
But for starting off here are some good measures:

- the number of people coming along to your activities and events
- the number of people volunteering

- their age, gender, ethnicity, postcode, disability (this can sometimes be uncomfortable for people to provide so making this information optional can help)
- an easy way for people to give feedback at least once a year on their overall satisfaction and on the difference, it is made to their lives and those of their carers

If you are looking for more information around a specific area, here are some measures and tools that may be useful:

- Wellbeing, the Office of National Statistics has been gathering national wellbeing data for the last 12 years. Through their national dataset, 10 broad dimensions of wellbeing have been identified and are regularly tracked for the UK population through the Measures of National Well-being Dashboard: Quality of Life in the UK. The 10 dimensions are:



Some useful ways of measuring these outcomes include:

- **Wellbeing:** [Impactasaurus](#) is a free online tool that helps organisations create surveys for participants that measure their wellbeing.
- **Wellbeing:** [Impact on loneliness later in life](#)
- **Wellbeing and Health:** [Creative health impact framework](#): this is quite a large document but on page 24 it gives a good outline of the types of information that would be good to collect depending on scale of project.
- **Education and Skills:** Capturing number of people accessing education, training courses, advise sessions, jobs etc.
- **Sustainability:** using the [Green Event Code of Practice](#) methodology.
- **Economic Impact:** Calculating the impact of [events](#).

Appendix 2 – Evaluation Form – THIRD SECTOR BIDS - EVALUATED BY THE RBC VOLUNTARY & COMMUNITY SECTOR PARTNERSHIP TEAM OR CULTURAL SERVICES (DEPENDING ON THE ORGANISATIONS PROPOSED USE).

Score Reference	Information requested	Scoring description	Rating	Score
1	Evidence of Accounts demonstrating financial resilience (Finance to evaluate)	Independantly examined or audited accounts (as appropriate) for the last 3 years. Evidences that there was no issues with debt or financial concerns. The bid will not be considered eligible if the Council has any concerns with the above.	Pass Fail	6 0
2	Offer complies with Section 123 of the Local Government Act 1972, obtaining the best consideration .	Monetary value - value or undervalue	Market value Less than market value Nominal offer	6 3 0
3	Offer Received	Value of bid.	Top Third Sector bid Mid Third Sector bid Lowest Third Sector bid Zero Bid	6 4 2 0

4	Robustness of Financial Offer	<p>Evidenced availability of finances to deliver the business plan, invest in the property condition and maintenance as required and fund the purchase – this should include evidence of accounts and/or grant support funding for all the above in the way of a letter from the potential funder.</p> <p>Demonstrates clear understanding of the challenges with the asset and ability to fund required works.</p>	<p>Strong Financial position evidencing ability to fund all scoring description criteria.</p> <p>Financial Support not guaranteed</p> <p>No evidence of ability to fund the purchase and business plan.</p>	<p>6</p> <p>3</p> <p>0</p>
5	Basis of the Offer	Conditional or Unconditional	<p>Unconditional</p> <p>Less onerous conditional</p> <p>Onerous conditional</p>	<p>6</p> <p>3</p> <p>0</p>
6	Deliverability and timing	Evidences strong skill and competence in being able to complete purchase and deliver the business plan.	<p>Evidenced ability to complete contract within 3 months and deliver the business plan in reasonable time.</p> <p>Some reservations on deliverability.</p>	<p>6</p> <p>2</p> <p>0</p>

			No evidence of ability to deliver	
7	Organisational Structure & Governance (To be evaluated by specialist service ie Culture, Voluntary Team, Finance, etc.).	The group is well-established and well organised	Well established Established No formal structure	6 3 0
8	Business Outcomes	Clearly defined quantifiable benefits that align with the Council's Corporate Plan objectives. Financial benefits to the Council quantified – delivery of services that support the Council's Corporate Plan. Timespan of delivering the outcomes supports the Council's objectives.	Thorough detailed plan with direct deliverables of the Council's Corporate Plan priorities evidencing financial benefits for the Council with delivery in a short time. Social value clearly outlined evidencing measurable Social Return on Investment (SROI). SROI accurately and realistically quantifies the social impact of the organisation's activity assigning monetary values to benefits. Business Plan incomplete lacking delivery of Corporate Plan Objectives and ability to invest in the asset with long timespan.	6 3

			Poor Business Plan not detailing required information.	0
9	Property Management	<p>Evidence of experience in managing property, including planned preventive maintenance and statutory compliance.</p> <p>Demonstrates clear understanding of the challenges with the asset and ability to competently manage and commission necessary building works to enhance the asset condition and ensure it remains compliant.</p>	<p>Has managed a range of properties for at least 2 years and has appropriate qualifications</p> <p>Has managed a similar property for at least 2 years</p> <p>Limited experience of property management</p> <p>No previous experience of property management</p>	<p>6</p> <p>4</p> <p>2</p> <p>0</p>
Total Score				/ 54

Appendix 3 – Evaluation Form – MARKET BIDS – INDICATIVE GUIDE FOR EVALUATION (ASSET MANAGEMENT SERVICE EVALUATES).

Score Reference	Information requested	Description	Evaluators Guide
1	Level of offer	Monetary value - value or undervalue	Highest price Robustness of price assumptions Less than market value
2	Basis of Financial Offer	Evidenced availability of finances to complete the purchase – this should include evidence of accounts. Demonstrates clear understanding of the challenges with the asset and ability to fund required works.	Financial position evidencing ability to fund purchase Track record of delivering similar acquisitions
3	Basis of the Offer	Conditional or Unconditional Onerous terms Other terms/obligations/risks/benefits beyond price	Timescale and delivery risk Council obligations/cost risks
4	Deliverability and timing	Evidences strong skill and competence in being able to complete purchase and deliver with minimal risk.	Ability to complete contract within 3 months.

			<p>Indicative timeframe and milestones to completion</p> <p>Understanding of property/purchase specific risks</p>
5	Proposed Use	<p>Does the proposed use support the Council's Corporate Plan objectives and Planning Policies.</p>	<p>Additionality beyond price that delivers other clear Corporate or Service benefits.</p> <p>Likelihood of obtaining necessary statutory approvals.</p>

Policy Committee

17 December 2025



Reading
Borough Council
Working better with you

Title	Health in All Policies Framework
Purpose of the report	To make a decision
Report status	Public report
Executive Director/ Statutory Officer Commissioning Report	Melissa Wise, Executive Director for Communities and Adult Social Care
Report author	Matt Pearce, Director of Public Health
Lead Councillor	Councillor Rachel Eden - Lead Councillor for Education & Public Health
Council priority	Safeguard & support the health & wellbeing of Reading's adults & children
Recommendations	<ol style="list-style-type: none"> That Policy Committee adopts the Health in All Policies Framework as detailed in Appendix 1 and endorses its implementation.

1. Executive Summary

- 1.1. The Health and Social Care Act 2012, enshrines the role of local government in improving health and reducing health inequalities. Since the move of Public Health responsibilities to local government, as part of these reforms, there has been a long-standing ambition from the Council to maximise the opportunities of addressing the social determinants of health, or building blocks of life, which are important drivers of health outcomes and health inequalities.
- 1.2. This paper introduces the principle of embedding a Health in All Policies (HiAP) approach across the Council; outlines a proposed framework and actions for embedding the approach.
- 1.3. The HiAP Framework is a collaborative approach that aims to protect and improve the health and wellbeing of Reading residents by embedding the consideration of health, equity and sustainability into Council policy and decision-making processes, across the work of all Council directorates¹.
- 1.4. The Council has already made good progress in seeking to embed health in all policies across the Council and this document sets out our ambition to go further and ensure that the impact on health and reducing health inequalities is at the heart of all decision making across the Council.
- 1.5. Over the last 12-months the Council has taken a series of steps to inform the HiAP Framework with the intention of developing a systematic approach. This has included workshops facilitated by the Local Government Association with the Senior Leadership Team and Lead Councillors, greater investment into the public health team, the

¹ [Health in all policies: a manual for local government](#) (LGA, 2016)

production of a State of the Borough Report and the creation of a HiAP Fund to help Council departments address public health needs.

- 1.6. HiAP embraces the complexity of seeking long term outcomes through sustained coordinated actions across directorates, agencies, and professional silos. The HiAP Framework sets out a change management approach and engagement plan that will provide a systematic process that engages leadership and all staff in preparing for change, communicating the vision, implementing the change, embedding it into daily operations, and reviewing the outcomes.

2. Policy Context

- 2.1. Reading Borough Council has a statutory duty to improve the health of residents. Under the Health and Social Care Act 2012, local councils in England are legally responsible for delivering public health services. They are required to take appropriate actions to improve the health and wellbeing of their local populations. Section 2B of the NHS Act 2006 imposes a duty for all upper-tier and unitary local authorities in England to take appropriate steps to improve the health of the people who live in their areas. Also, the Social Care Act 2014 imposes a duty on local authorities 'to prevent or delay the development of care and support needs, promoting independence and wellbeing for individuals.'
- 2.2. These duties are partly carried forward through the Council Plan 'Investing in Reading's Future' 2025-2028. Specifically, under the priority to Promote more equal communities in Reading and the objective to '*reduce inequalities in health and life expectancy through our Public Health Service by developing approaches to ensure that health and wellbeing is considered across all policy areas.*'
- 2.3. This statement of intent helps to drive the establishment of HiAP across the Council with the aim of:
 - Achieving improved health outcomes for everyone, with fastest improvement amongst those at greatest risk of exposure to deprivation.
 - Strengthening evidence-based policy decisions.
 - Providing training in relevant knowledge and skills for members and officers.
 - Improving health outcomes and associated economic benefits for everyone in Reading.
- 2.4. HiAP is defined by the World Health Organisation as: "an approach to public policies across sectors that systematically takes into account the health implications of decisions, seeks synergies, and avoids harmful health impacts in order to improve population health and health equity². HiAP supports improved health and social outcomes and reduces inequity through collaboration between all those who have a responsibility to protect and improve public health across all sectors
- 2.5. Central to adopting a HiAP approach is the recognition that our greatest health challenges for example, non-communicable diseases, health inequities and inequalities, climate change and spiralling health and social care costs are complex and often linked through the social determinants of health or building blocks in life.
- 2.6. Research has long shown that the social determinants of health, the wider social, economic, environmental, cultural, and political factors, alongside behavioural risk factors which often cluster in the population, account for up to 85% of the impacts on a person's health across the life course. Health care typically makes up a much smaller percentage.

² <https://www.who.int/publications/m/item/what-you-need-to-know-about-health-in-all-policies--key-messages>

2.7. The adoption of a HiAP approach enables preventative action upon these wider determinants. The Council has it within its power and its range of statutory duties to positively influence the Building Blocks of Life and to drive the necessary changes supported by a HiAP approach. An example of this, is the recently amended Healthier Food Advertising Policy.

2.8. The HiAP Framework (Appendix 1) has been developed with officers from across all Directorates with the aim of establishing a shared understanding and embedding structural and procedural changes that prioritise the prevention and reduction of health inequalities.

2.9. Over the past year the Council has undertaken several pieces of work to inform and support the ambitions of the HiAP Framework. This includes:

- Two workshops facilitated by the Local Government Association with the Councils Senior Leadership Team and Lead Councillors.
- A commitment to increase investment in the public health team as a proportion of the public health grant, leading to a service restructure that allows for greater alignment with Council directorates to influence the 'building blocks of health'.
- The production of a State of the Borough Report and ongoing review of the Joint Strategic Needs Assessment, to enable the council and its partners to become data and intelligence led that leads to evidence informed decision making.
- Introduced a 'HiAP fund' to support Council departments in identifying innovative approaches to improve local public health outcomes.
- Commenced the development of whole system approach to healthy weight to inform a Healthy Weight Strategy using a test and learn approach.

2.10 From our work to date we have identified actions that will ensure that the impact on health and wellbeing is a central consideration at the heart of all policy and decision-making processes.

2.11 The HiAP framework aims to work across all aspects of Council Policy and councillors and officers to strengthen the work the Council is already doing to maintain the building blocks of health: the local environment; housing; transport; worthwhile employment and access to nutritious, sustainable food.

2.12 Whilst the overall health of Reading compares favourably to the national average across a number of indicators, there are some significant health challenges which has been highlighted in the recent 'State of the Borough Report.' This shows that while some health indicators for Reading have improved, there remain health indicators based on the wider determinants of health that are significantly worse than the Southeast and England averages.

2.13 The proposed HiAP Framework will strengthen and support the implementation of several local and national strategic intentions including the Council Plan, Culture and Heritage Strategy, The Reading Climate Emergency Strategy, Local Transport Plan, The Economic Development Framework and many more.

2.14 By embedding health considerations into housing, transport, education and economic policy, it has the potential to extend healthy lives, reduce pressure on public services, and contribute to greater economic and social prosperity. The financial benefits of a HiAP approach and interventions are well evidenced. Correct implementation of mitigations and enhancements is often a win-win for both the Council and residents. It encourages and/or allows for healthier lifestyles and reduces avoidable costs in health and social care services or reductions in productivity or economic output.

2.15 It is proposed that the Council agrees to embed a HiAP approach based around the eight strategic steps below, drawn from Local Government Association guidance³:

- a) Establish formal structures and governance
- b) Build capacity across the Council
- c) Integrate Health into Policy and Planning
- d) Foster Cross-Directorate Collaboration
- e) Pilot and Scale Initiatives
- f) Secure Resources and Sustainability
- g) Promote Accountability and Transparency
- h) Encourage Cultural and Systemic Change

2.16 One of the key aspects of the HiAP framework will be the introduction of Health Impact Assessments (HIA), which will offer a flexible and evidence-based mechanism to assess how policies affect health and inequalities before they are implemented. Consideration of how HIA will be embedded is ongoing, albeit it will likely include a training programme for relevant Council staff to equip them with the skills and knowledge to use health and wellbeing data, undertake equity analysis and use evidence to support the promotion of health and wellbeing.

2.17 The implementation of the HiAP framework will be overseen by the Council's Public Health Board, which is an internal board made up of senior officers from across the council. It is proposed that progress will be reported on an annual basis to Policy Committee.

3. Contribution to Strategic Aims

3.1. This proposal supports the Council's strategic aims to promote more equal communities in Reading and to safeguard the health and wellbeing of Reading's residents.

3.2. The implementation of the HiAP Framework will strengthen the role of the Council as a 'public health organisation.' It will facilitate closer collaboration between Directorates and Services across the Council to positively influence policy making and decisions that influence the building blocks of life such as worthwhile employment, transportation, land use, secure tenancies, public safety, lifelong education, and community connectedness.

4. Environmental and Climate Implications

4.1. There are no direct environmental or climate implications arising from this proposal. However, the HiAP approach will maximise the connection between health and climate change, with actions that benefit both the environment and human health.

5. Community Engagement

5.1. Not applicable at this stage. The focus is on strengthening internal decision-making processes and promotion and awareness raising amongst communities can be achieved through the public health communications strategy.

6. Equality Implications

6.1. There are no direct impacts from this report, however it is anticipated that through the adoption of Health Impact Assessments, alongside Equality Impact Assessment, this would strengthen how the Council effectively identifies inequalities and how they can be effectively addressed.

³ [Health in all policies: a manual for local government](#) (LGA, 2016)

7. Other Relevant Considerations

7.1. None.

8. Legal Implications

8.1. The Council has a legal duty under legislation, including the Health and Social Care Act 2012 and the National Health Act 2006 to take appropriate actions to improve the health and wellbeing of their local populations and reduce health inequalities. The adoption of a HiAP framework approach as set out in the Recommendations is consistent with these legal duties. The Social Care Act 2014 also imposes a duty on local authorities 'to prevent or delay the development of care and support needs, promoting independence and wellbeing for individuals.'

9. Financial Implications

9.1 There are no direct financial implications from this report, and it is anticipated that HiAP will largely be embedded as part of business as usual. However, where additional resources are required e.g. training, it is envisaged that this would be supported through the Public Health Ringfence Grant.

9.2 Research has consistently shown that the building blocks of life - income, housing, education, employment, transport and environment - are the major drivers of health, and that improving these conditions could yield long-term gains in productivity, social cohesion and reduced demand on public services.

10. Timetable for Implementation

10.1 The proposed timetable for implementation of the HiAP Framework is from January 2025 to December 2027. This includes the following milestones:

Date	Milestone
December 2026	HiAP Framework approved
April 2026	Development of a Health Impact Assessment Process to be considered as part of all decision making. To include staff awareness and training.
June 2026	Publication of a Healthy Weight Strategy (which is being developed through a HiAP approach)
July 2026	Explore options with Workforce Development team for wider HiAP training. This will include opportunities for HiAP training as part of the RBC Managers induction programme and targeted e-learning for relevant roles.
January 2026 – December 2027	Monitoring and Evaluation

11. Background Papers

11.1. There are none.

Appendices

Appendix 1 - Reading Health in All Policies Framework (November 2025)

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Appendix 1

Health in All Policies Framework



Ensuring that health and reducing inequalities is at the heart of all decision and policy making across the council

Contents

1. Introduction	3
1.1 What is Health in All Policies?.....	3
1.2 Why is Health in All Policies a Council priority?	3
1.3 Local Strategies and Policies	4
1.4 Practical implementation of Health in All Policies.....	5
2. Embedding Health in All Policies Locally	5
2.1 Becoming a 'public health organisation'	5
2.2 Progress to date	6
2.3 Our Vision and Aims.....	8
2.4 Change Management Approach and Engagement Plan.....	11
3. Health Impact Assessments	12
3.1 When should a Health Impact Assessment be conducted?	12
4. Evaluating Health in All Policies.....	13
4.1 Key Evaluation indicators	13
5. Health in All Policies – Priority areas	14
5.1 Health in All Policies - Health	14
5.2 Health in All Policies - Equity.....	16
5.3 Health in All Policies - Sustainability	17
6. Governance	18

1. Introduction

1.1 What is Health in All Policies?

Health in All Policies is defined as 'a collaborative approach to improving the health of all people by incorporating health considerations into decision-making across sectors and policy areas' (LGA, 2016)¹.

It is an approach that aims to ensure that there is robust consideration of the impact on human health that results from decision making processes across all Council departments and functions. In this way, the Local Authority can ensure that all its activity works towards protecting and improving health.

This means that Health in All Policies will maintain a clear focus on health, equity and sustainability across policy development and decision-making processes, using the best available evidence.

HiAP provides a response to a variety of complex and often inextricably linked problems, such as the increase in people living with chronic illness and long-term illness linked to our ageing society, growing inequality and health inequalities, climate change and the need for effective and efficient strategies for achieving society's goals with shrinking resources. These 'wicked problems' are extremely challenging.

Addressing them requires innovative solutions, a new way of thinking about policy, and structures that break down the 'siloed' nature of local government. Collaboration across sectors - such as through a HiAP approach – can promote efficiency and effectiveness by fostering discussion of how agencies can share resources and reduce duplication, thus potentially decreasing costs and improving performance and outcomes.

1.2 Why is Health in All Policies a Council priority?

The Council recognises its statutory duty² to improve the health of local residents. This policy commitment is set out in the Council Plan 'Investing in Reading's Future' 2025-2028³, under the priority **Promote more equal communities in Reading**.

Under this priority, the Council commits itself to:

*'Reduce inequalities in health and life expectancy through our Public Health Service' by
developing approaches to ensure that health and wellbeing
is considered across all policy areas'*

This statement of intent will drive the establishment of Health in All Policies across the council with the aim of:

- Improving health outcomes for everyone with fastest improvement amongst those at greatest risk of exposure to deprivation
- Making evidence-based policy decisions
- Training members and officers in a range of skills

¹ [Health in all policies: a manual for local government](#) (LGA, 2016)

² Under the Health and Social Care Act 2012, local councils in England are legally responsible for delivering public health services. They are required to take appropriate actions to improve the health and wellbeing of their local populations. Section 2B of the NHS Act 2006 is a duty for all upper-tier and unitary local authorities in England to take appropriate steps to improve the health of the people who live in their areas.

³ ['Investing in Reading's Future' Council Plan 2025-2028](#)

- Improving health and economic benefits for everyone in Reading

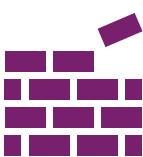
1.3 Local Strategies and Policies

Reading Borough Council already has several policies that have a strategic focus on health. Adopting a Health in All Policies approach will connect these existing policies in a systematic approach to prevention. This will require a deeper level of collaboration and cooperation between Council directorates, system partners, stakeholders and the communities. The table below summarises the existing strategies and policies:

Council Plan	Key objectives that align with health and wellbeing
<u>Council Plan 2025-2028</u>	<ul style="list-style-type: none"> • Promote more equal communities in Reading • Secure Reading's economic and cultural success • Deliver a sustainable and healthy environment and reduce Reading's carbon footprint • Safeguard and support the health and wellbeing of Reading's adults and children • Ensure Reading Borough Council is fit for the future
<u>Culture and Heritage Strategy 2015-2030</u>	<ul style="list-style-type: none"> • Amplify the role of cultural participation in promoting good health within the culture and heritage strategy.
<u>Additional Air Quality Monitoring</u>	<ul style="list-style-type: none"> • Implement additional air quality monitoring to gather detailed data on pollutants and their impact on public health.
<u>Tobacco and Vapes Bill 2024</u>	<ul style="list-style-type: none"> • Address the implications of the Tobacco and Vapes Bill to reduce nicotine addiction and its health impacts.
<u>The Reading Climate Emergency Strategy 2020-2025</u>	<ul style="list-style-type: none"> • Address the health impacts of climate change on the health and wellbeing of Reading population
<u>Local Transport Plan 2011-2026</u>	<ul style="list-style-type: none"> • Outlines how the Council plans to manage, maintain and improve Reading's transport network, with consideration being given to Health Impact Assessment to mitigate negative effects on health and wellbeing.
<u>Health and Wellbeing Strategy 2021-2030</u>	<ul style="list-style-type: none"> • Outlines the areas we will focus on from 2021 to 2030 to improve and protect Berkshire West's health and wellbeing
<u>Housing Strategy for Reading 2020-2025</u>	<ul style="list-style-type: none"> • Highlights how housing is a foundation block for the health and wellbeing of residents
<u>Tackling inequality strategy 2023-2026</u>	<ul style="list-style-type: none"> • Tackling inequality is central to how we want to improve the health and wellbeing of our residents
Reading Economic Development Framework	<ul style="list-style-type: none"> • In development

1.4 Practical implementation of Health in All Policies

Health in All Policies presents opportunities at a primary prevention level to protect and improve the health of residents. However, it is important to carefully consider the factors that are likely to ensure success. These can be grouped into **structural**, **political**, **cultural**, and **technical** factors:

Structural 	<ul style="list-style-type: none">• Avoid siloed thinking and promote closer collaboration and coordination between sectors, for example transport, housing, education, for effective connection and integration.• Recognise the scarcity of financial and human resources in the current context and identify innovative opportunities for cross-system collaboration.• Manage relevant political and budgetary timelines that have the potential to conflict with the achievement of long-term health outcomes.
Political 	<ul style="list-style-type: none">• Promote wide understanding amongst decision makers about Health in All Policies and how it can help the council perform its duties.• Develop a network of Health in All Policies champions amongst members and senior leaders that will drive the Health in All Policies approach.• Develop wider understanding of the interdependency of economic growth and infrastructure development with public health outcomes.• Ensure that Health in All Policies methods and processes are efficient and easy to implement.
Cultural 	<ul style="list-style-type: none">• Maintain a public health approach that is jargon free and uses plain English to enable wider engagement.• Consider additional training to reconnect Council functions with their public health purpose• Consider additional resource and support for new ways of working across departments.
Technical 	<ul style="list-style-type: none">• Training to enable all officers to use health data that can inform evidence-based decisions and foster a public health mindset• Develop appropriate methods to evaluate the effectiveness of the approach at a local level.• Develop practical guidance on how to integrate Health in All Policies into the Local Strategies and Policies listed above.

2. Embedding Health in All Policies Locally

The Council has committed to improving the health and wellbeing of residents through several policies and strategies. The success of the Health in All Policies Framework will depend upon the Leadership Team within the Council acting as champions for the approach and advocating for substantial change and sustainable actions.

2.1 Becoming a ‘public health organisation’

There has been interest across Reading Borough Council in becoming ‘public health organisations’, but there is a lack of clarity on what this means in practice. No single

definition exists in the academic literature, but parallels can be drawn to adopting a ‘public health’ and ‘health in all policies’ approach.

A fundamental interpretation of this, is to maximise the skills of public health professionals to work with colleagues across the council and influence the social determinants or “building blocks of life”, such as worthwhile employment, transportation, land use, secure tenancies, public safety, lifelong education and community connectedness. In practice this means:

- A system-wide focus on early intervention and prevention (primary, secondary and tertiary)
- Understanding the root causes of the issue (building blocks of life)
- Data and intelligence is integral to decision making
- A science and evidence-led approach to policy and commissioning
- Working with and for communities ensuring respect and equal access for everybody
- Any level solution (working across organisations and focusing on populations)
- Putting health outcomes at the heart of policy decisions to address the wider determinants of health
- Making every contact count so that everyone in our organisation can advocate effectively for health and wellbeing
- A collective responsibility for health, health protection and disease prevention
- Fostering a public health mindset across the council and partner workforce

2.2 Progress to date

There is ongoing work within the Council which assist with the aim of embedding HiAP and are summarised below:

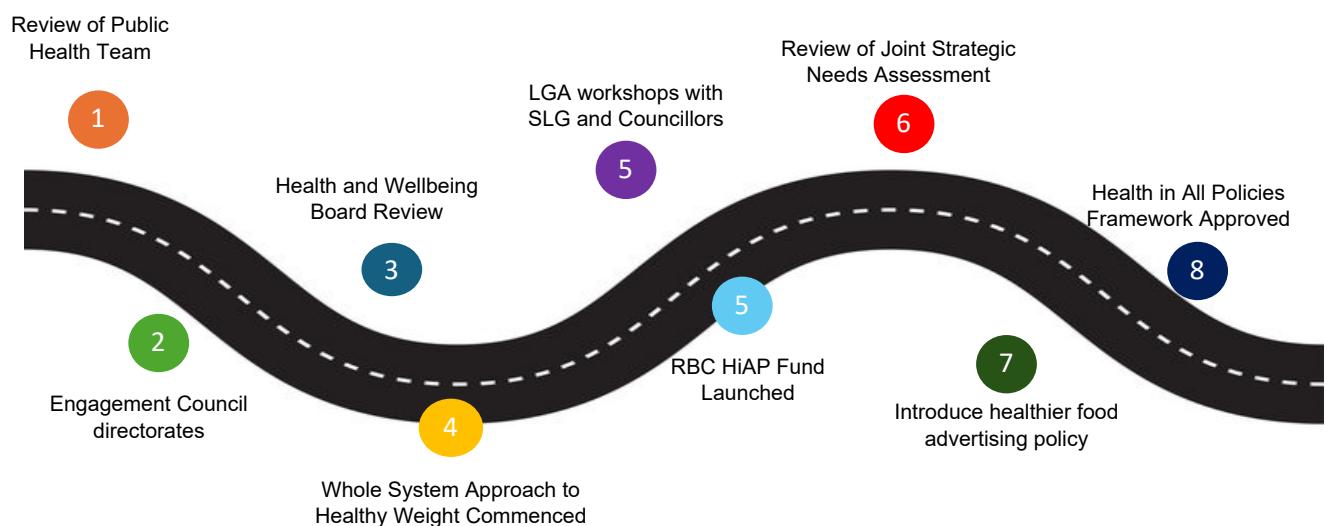


Figure 1. Roadmap highlighting key milestones on our journey towards a health in all policies

Activity	Outcome
Health in All Policies workshops with the Senior Leadership Team and Lead Members and facilitated by the LGA	<ul style="list-style-type: none"> • A range of suggestions and actions were identified through these workshops including • Greater focus on Best Start in Life • Understanding the links between housing and health e.g. damp and mould • Maximising the opportunities of licensing around gambling, alcohol and fast food where Reading benchmarks poorly • Importance of refining our current provision across sport and leisure to focus on the least active • Align public health goals with planning, transport, and economic development through new governance and collaborative structures through a Health Equity Audit • Develop health economic knowledge and skills to demonstrate return on investment • Refine the evidence-base data on health impacts of non-health policies, for example food advertising, air quality to build a compelling case • Maximise opportunities through customer service strategy • Better utilise data held by partners. Citizen Advice Reading • Strengthen links between health and work
Joint Strategic Needs Assessment (JSNA) Review	<ul style="list-style-type: none"> • The JSNA for Reading⁴ was produced to support the Health and Wellbeing Board in identifying priorities for action in the short and medium term. Best Start in Life, Mental Health and Neighbourhood Health were identified as key priorities.
Health in All Policies Fund	<ul style="list-style-type: none"> • The Public Health Team have invested £400k of the public health grant reserve for non-recurrent funding to promote Health in All Policies in 2025-26. Projects funded include: <ul style="list-style-type: none"> ◦ Damp & Mould Intervention in housing ◦ Adult Education Garden Project ◦ Planning Officer Secondment ◦ Library Health Equipment Lending Project ◦ Family Safeguarding Outreach ◦ Ranger Station Activities
Public Health Team Restructure	<ul style="list-style-type: none"> • A new operating model has been designed for the Public Health Teams in Reading and West Berkshire that align with the Health in All Policies agenda and ensure a more corporate approach • Within the new operating model, teams will work collaboratively with other Council departments and at strategic levels to bring Health in All Policies to the forefront of what everyone does.
Learning Opportunities and capacity building	<ul style="list-style-type: none"> • Learning and development opportunities are being explored to ensure staff have the knowledge and awareness of health in all policies. • An e-learning opportunity is being developed for all staff to learn how to embed Health in All Policies into their working practice.

⁴ <https://reading.berkshireobservatory.co.uk/>

2.3 Our vision and aims

Our vision is that:

“Health is considered in all policy decision making to optimise the health and wellbeing of Reading residents and minimise health inequalities”

Our aims are as follows:

- 1) Achieving improved health outcomes for everyone, with fastest improvement amongst those at greatest risk of exposure to deprivation
- 2) Strengthening evidence-based policy decisions
- 3) Providing training in relevant knowledge and skills for members and officers

Improving health outcomes and associated economic benefits for everyone in Reading.

Achieving our vision and aims

Whilst there is no ‘right way’ to incorporate HiAP, a number of thematic areas have been identified by the Local Government Association¹ as central to a HiAP approach and are adaptable to a wide range of organisations:

1. Local Government Association toolkit¹Establish formal structures and governance
2. Build capacity across the Council
3. Integrate Health into Policy and Planning
4. Foster Cross-Directorate Collaboration
5. Pilot and Scale Initiatives
6. Secure Resources and Sustainability
7. Promote Accountability and Transparency
8. Encourage Cultural and Systemic Change

The table below provides high level actions that the Council will look to deliver against each category.

Steps	Actions
 1. Establish Formal Structures and Governance	<ul style="list-style-type: none"> An introduction to Health in All Policies by the Local Government Association for the Senior Leadership Group and Lead Members Invite the Corporate Management Team, the Senior Leadership Group and Members to refine the Council's Health in All Policies vision statement, approach and process Agree and establish governance arrangements Strengthen the role of collaboration with partners of the HWB Board
 2. Build Capacity across the Council	<ul style="list-style-type: none"> Council wide staff training/awareness raising on Health Impact Assessment, Health Equity Audit, Theory of Change, Logic Model (Learning Pool Resource/Staff Induction) Develop a strategic approach to Making Every Contact Count
 3. Integrate Health into Policy and Planning	<ul style="list-style-type: none"> Incorporate Health Impact Assessments in Policy/Committee Reports (e.g. potentially within existing EQIA process) Conduct a review of Policies Conduct Health Impact Assessment and Health Equity Audits Develop a 'Public Health Offer' to support the Council
 4. Foster Cross-Directorate Collaboration	<ul style="list-style-type: none"> Engage existing collaborative partners and potential champions across all directorates Support and foster leadership at all levels
 5. Pilot and Scale Initiatives	<ul style="list-style-type: none"> Select a local public health priority to pilot the implementation of Health in All Policies e.g. planning Evaluate the outcomes and scale up successful models
 6. Secure Resources and Sustainability	<ul style="list-style-type: none"> Public Health funding to support implementation of Health in All Policies launched 2025/26) Implement Public Health Restructure and ensure business partner model aligned to Council Directorates
 7. Promote Accountability and Transparency	<ul style="list-style-type: none"> Public Health Board (Officer Board) to provide oversight of approach Engage Councillors Monitoring and reporting progress Evaluate and adapt approach from learning Ensure accountability agreements are in place across the council for activities funded by the public health grant
 8. Encourage Cultural and Systemic Change	<ul style="list-style-type: none"> The Relevant Council staff to be cognisant and proficient in Health in All Policies approach

HiAP Opportunities by Public Health Theme

Characteristic	Children	Adults	Place
Planning & Education	Embed health-promoting design Healthy school design, nutrition policies, mental health support	Advocate for accessible housing Active design	Embed Health Impact Assessments, Health Equity Audits
Transport, Safety, Infrastructure	Safe routes to school, air quality improvements	Support active travel infrastructure	Influence transport strategies, active travel, inclusive public spaces
Licensing & Regulation	Restrict unhealthy food/fast food and alcohol outlets near schools	Influence licensing to reduce harm	Align licensing decisions with health, Alcohol outlet density Alcohol outlet density
Housing & Environment	Ensure family-friendly housing/developments Reduce overcrowding	Influence planning for mixed-use	Influence environmental health policies Air quality, housing standards
Workplace & Economy		Promote healthy workplaces, employment support	
Community Safety & Social Inclusion	Address domestic abuse, substance misuse, social isolation and mental health	Address domestic abuse, substance misuse, social isolation and mental health	
Climate & Sustainability			Embed health in climate strategies Green infrastructure, climate resilience

Cross-cutting Enablers

PARTNERSHIP WORKING ACROSS DEPARTMENTS
 USE OF DATA AND EVIDENCE (E.G. JSNA, HEALTH EQUITY AUDIT)
 EMBEDDING HEALTH IN STRATEGY, POLICY, AND DECISION-MAKING PROCESSES
 COMMUNITY ENGAGEMENT AND CO-PRODUCTION

2.4 Change Management Approach and Engagement Plan

A change management approach provides a structured method to maximise the adoption of Health in All Policies across the organisation. It involves a systematic process of preparing for change, communicating the vision, implementing the change, embedding it into daily operations, and reviewing the outcomes.

There are various models of Change Management approaches, including the 'Know, Feel, Do' Model⁵ and the ADKAR Model⁶.

The 'Know, Feel, Do' Model is a communication framework that helps align the targeted stakeholders' understanding, emotions and actions with the intended transformation message. The model will a) clarify where to focus change and engagement efforts, and b) help design engagement and communications activity. The model is based on three core enquiries:

- What do the stakeholders need to know? (Cognitive)
- What will the stakeholders feel? (Emotional)
- What specific action do the stakeholders need to take? (Behavioural)

Know	Feel	Do
About the new health impact assessment	Confident in filling in the health impact assessment	Regularly consider health implications on projects by carrying out health impact assessments
Why the assessment is important and requires attention	That the assessment is a crucial part of decision making at RBC	Raise and mitigate any public health risks that might arise
How it feeds into decisions about projects		

The ADKAR Model provides a step-by-step guidance for managing change and help design an approach.

⁵ https://www.scotpho.org.uk/media/1199/scotpho101027_kfd_report.pdf

⁶ [The 5 Elements of the ADKAR Model](#)

Principle	Activity
Awareness & Desire	<ul style="list-style-type: none"> • Intranet articles covering why and when the assessment is coming in; • Team Talk; • Attending team meetings for highly impacted teams to talk through the change and how they will be supported; • Build “desire” messaging in: what impact could the assessments have? Any examples of where they have worked well elsewhere?
Knowledge	<ul style="list-style-type: none"> • Training • Resources and tools for health impact assessments
Ability	<ul style="list-style-type: none"> • Confidence building activities; • Surgeries reviewing assessments with stakeholders post launch; • Work through scenarios and get stakeholders to fill in mock assessments in the training; • Spot check some assessments and offer constructive feedback
Reinforcement	<ul style="list-style-type: none"> • Follow ups (intranet articles, team talk / all staff briefing items to remind stakeholders of the importance of applying Health in All Policies) • Audits to check the consistency and quality of assessments; • Follow ups with Senior Leadership Team on the importance of health in All Policies as part of the project sign off process

3. Health Impact Assessments

A Health Impact Assessment is important to the Health in All Policies approach because it provides a systematic process for evaluating the potential health effects of a policy, plan, or project on a population, particularly vulnerable groups, [according to the World Health Organization \(WHO\)](#). It identifies both positive and negative impacts, assesses their distribution across different groups, and suggests ways to maximise positive effects and mitigate negative ones. It is a crucial tool for evidence-based decision-making, aiming to improve health and reduce health inequalities.

A Health Impact Assessment aims to understand how a proposed development, policy, or plan, that sit outside the health sector, might affect the health and wellbeing of a population. This includes considering both direct and indirect impacts, as well as potential unintended consequences. It considers the full set of determinants of health, such as environmental, social and economic determinants of health.

3.1 When should a Health Impact Assessment be conducted?

To maximise the benefits of a Health Impact Assessment, it should be conducted before the implementation of a policy proposal, during the formulation stages of the policy⁷

A Health Impact Assessment is concerned with the involvement of all sectors affected by the policy proposal under review. As part of this framework we will explore the best way to incorporate HIA's within the Council's decision making process, which minimises the potential burden on staff, but maximise the ability to evaluate the impacts on health.

⁷ Howlett, M. & Ramesh, M. (2003). Studying public policy: Policy cycles and policy subsystems. Toronto, ON: Oxford University Press Canada.

4. Evaluating Health in All Policies

The evaluation of a health intervention or programme is very important because it helps achieve several essential outcomes:

- Assessing the effectiveness of the intervention
- Informing the programme design for further improvement
- Providing accountability and transparency
- Informing policy and decision making
- Allocating resources effectively
- Building knowledge and capacity
- Enhancing community trust

4.1 Key Evaluation indicators

To successfully measure the implementation of Health in All Policies, a range of key indicators can be used across different domains. These indicators help assess both the process and impact of Health in All Policies initiatives. Based on guidance from NACCHO⁸, WHO⁹, and other public health bodies, the following categories could be considered:

Key Evaluation Indicators	Details
Governance and Whole Systems Approach and Collaboration	<ul style="list-style-type: none">• Interdepartmental working groups established (Health in All Policies Champions)• Frequency of joint planning or decision-making meetings• Inclusion of health representatives in non-health policy processes• Formal agreements or Memorandum of Understanding between Council Departments
Policy Integration	<ul style="list-style-type: none">• Proportion of new policies that explicitly consider health and equity impacts• Evidence of health language or goals in non-health sector strategies (e.g. transport, housing)
Capacity Building	<ul style="list-style-type: none">• Number of staff trained in Health in All Policies principles and tools• Availability of Health in All Policies toolkits or guidance documents• Integration of Health in All Policies into staff orientation or professional development
Community and Stakeholder Engagement	<ul style="list-style-type: none">• Representation of vulnerable or priority populations in decision-making• Public and staff awareness of Health in All Policies initiatives (Comms Team, framing narratives)
Monitoring and Evaluation	<ul style="list-style-type: none">• Existence of a Health in All Policies monitoring framework

⁸ [NACCHO](#) Health in All Policies Evaluation Tool for State and Local Health Departments

⁹ [WHO](#) Health in All Policies Framework for Country Action, 2014

	<ul style="list-style-type: none"> Number of Health Impact indicators tracked across Council departments and reported on at Corporate Management Team Council Monitoring Dashboard Use of health equity metrics in policy evaluation
Health and Equity Outcomes (Long-Term)	<ul style="list-style-type: none"> Improved social determinants of health (e.g. housing quality, air quality, access to healthy food) Reduction in health disparities across population groups Improvements in population health indicators (e.g. obesity rates, mental health)

5. Health in All Policies – Priority areas

5.1 Health in All Policies - Health

The health of the population in Reading can be assessed using the latest data from the Public Health Outcomes Framework (PHOF)¹⁰. The framework focuses on the two high level outcomes we want to achieve across the public health system and beyond:

- Increased healthy life expectancy.
- Reduced differences in life expectancy and healthy life expectancy between communities.

The overarching indicators domain (group of indicators) presents the high-level outcomes, with the supporting indicators grouped into 4 domains, with their own objectives:

- The **wider determinants of health** domain objective is to measure improvements against wider factors that affect health and wellbeing, and health inequalities
- The **health improvement** domain objective is that people are helped to live healthy lifestyles, make healthy choices and reduce health inequalities
- The **health protection** domain objective is that the population's health is protected from major incidents and other threats, while reducing health inequalities
- The **healthcare and premature mortality** domain objective is reduced numbers of people living with preventable ill health and people dying prematurely, while reducing the gap between communities

The latest Joint Strategic Needs Assessment (State of the Borough Report) is downloadable from the [Berkshire Observatory](#)

Local Context - Wider determinants of health outcomes

Wider determinants of health, also known as social determinants, are the social, economic, and environmental factors that influence people's health and well-being. These factors go beyond individual behaviours and healthcare and encompass the conditions in which people are born, grow, live, work, and age. They include things like income, education, housing, access to services, and the environment.

¹⁰ [Public Health Outcomes Framework \(PHOF\) for Reading, May 2025](#)

In Reading, there are many indicators that show improved health outcomes, however, some wider determinants of health indicators are significantly worse than the South East and England averages¹¹.

Table 1: Wider determinants of health indicators showing as significantly worse than the national average

Indicator	Reading	South East	England
B08b – Gap in the employment rate between those who are in receipt of long-term support for a learning disability and the overall employment rate (18-64 year olds) (2022/23)	77.6%	71.4%	70.9%
B15a – Homelessness: households owed a duty under the Homelessness Reduction Act (2023/24)	24.2 per 1,000	11.3 per 1,000	13.4 per 1,000
B18b – Percentage of adult carers who have as much social contact as they would like (18 and over) (2023/24)	20.0%	25.9%	30.0%
C19a – Successful completion of drug treatment: opiate users (18 and over) (2023/24)	3.0%	6.5%	5.1%
C19b – Successful completion of drug treatment: non opiate users (18 and over) (2023/24)	17.9%	30.9%	29.5%
C19c – Successful completion of alcohol treatment (18 and over) (2023/24)	24.7%	34.3%	34.2%
C20 – Adults with substance misuse treatment need who successfully engage in community based structured treatment following release from prison (18 and over) (2024/25)	42.0%	54.0%	57.1%
Gambling premises (2025)	23.0 per 100,000	10.7 per 100,000	12.9 per 100,000
Fast food outlets (all ages) (2024)	136.9 per 100,000	91.7 per 100,000	115.9 per 100,000
Premises licensed to sell alcohol per square kilometre (2023/24)	13.8 per km	1.4 per km	1.3 per km

5.2 Health in All Policies - Equity

Equity in Health in All Policies means ensuring that policies do not disproportionately harm disadvantaged groups and actively work to reduce health disparities caused by social, economic, and environmental factors.

According to the Local Government Association and Public Health England¹², Health in All Policies involves:

- Systematically considering health impacts in all policy decisions.
- Targeting the social determinants of health (e.g. housing, education, transport).
- Engaging communities and ensuring inclusive participation.
- Avoiding unintended harm to vulnerable populations.
- Promoting fairness in access to resources and opportunities for health.

¹¹ [Public Health Outcomes Framework \(PHOF\) for Reading, May 2025](#)

¹² Local Government Association (2016) Health in All Policies a manual for local government

Applying Health in All Policies Equity in Reading

Given Reading's diverse population and existing health inequalities, applying Health in All Policies with an equity lens could look like this:

Priority area	Actions
Policy Integration	<ul style="list-style-type: none">Embed health equity assessments in all major council strategies (e.g. Local Plan, Climate Strategy, Transport Plan).Ensure policies on housing, planning, and economic development consider their impact on health outcomes, especially for low-income and marginalised communities.
Cross-Sector Collaboration	<ul style="list-style-type: none">Strengthen partnerships between public health, planning, education, transport, and social care.Use the Health and Wellbeing Board to align goals and share data on inequalities.
Community Engagement	<ul style="list-style-type: none">Involve residents from underserved areas (e.g. Whitley, Southcote) in shaping local policies.Use participatory approaches to understand lived experiences and barriers to health (Community Participatory Action Research (CPAR) collaboration with University of Reading).
Targeted Interventions	<ul style="list-style-type: none">Prioritise investment in areas with the poorest health outcomes.For example, promote healthier advertising standards and support responsible food marketing near schools and in lower-income neighbourhoods.
Monitoring and Evaluation	<ul style="list-style-type: none">Track indicators such as life expectancy gaps, access to green space, active travel rates, and food insecurity.Use disaggregated data to identify which groups are benefiting and which are being left behind.

5.3 Health in All Policies - Sustainability

Sustainability in the context of **Health in All Policies** refers to the long-term integration of health and wellbeing considerations into all areas of policymaking, ensuring that decisions made today do not compromise the health of future generations. It involves:

- Institutionalising health thinking across all departments and levels of government.
- Aligning health goals with environmental, economic, and social sustainability.
- Building resilient systems that can adapt to future challenges (e.g. climate change, economic shifts).
- Ensuring continuity of Health in All Policies practices beyond political cycles or leadership changes.

According to the Local Government Association and Public Health England¹³, sustainable Health in All Policies implementation requires:

- Embedding health into **strategic planning frameworks**
- Creating **long-term partnerships** across sectors
- Using **shared data and evaluation tools**
- Ensuring **community ownership** and participation

Applying Health in All Policies Sustainability in Reading

To embed sustainability into Health in All Policies in Reading, the council could take the following approaches:

Sustainable Goal	Approach
Embed Health in Strategic Plans	<ul style="list-style-type: none">• Integrate health and wellbeing goals into the Local Plan, Climate Emergency Strategy, and Transport Strategy.• Ensure that sustainability assessments include health equity impacts.
Promote Healthy and Sustainable Environments	<ul style="list-style-type: none">• Support active travel infrastructure (e.g. cycling, walking) to reduce emissions and improve physical activity.• Encourage green space development in urban planning to support mental and physical health.• Regulate advertising of unhealthy products while promoting local, sustainable food businesses.
Strengthen Cross-Sector Collaboration	<ul style="list-style-type: none">• Establish long-term partnerships between public health, planning, housing, and environmental services.• Use the Health and Wellbeing Board to align sustainability and health priorities.
Build Community Resilience	<ul style="list-style-type: none">• Engage communities in co-designing policies that affect their health and environment.• Prioritise interventions in areas most vulnerable to climate and health risks (e.g. Whitley, South Reading).
Monitor and Evaluate	<ul style="list-style-type: none">• Track indicators such as air quality, access to green space, active travel rates, and health inequalities.• Use this data to inform continuous improvement and long-term planning.

6. Governance

Within the Council, a Public Health Board has been established which will provide oversight and delivery of the Health in All Policies Framework.

¹³ [Local wellbeing, local growth: adopting Health in All Policies \(2016\)](#)

Through our health and wellbeing board (HWB), the Council has a well-established way of working with representatives of several of the organisations and sectors needed to implement a HiAP approach. The HWB will play a key governance role whereby HWB members will act as HiAP champions, advocating for a HiAP approach within their own organisations as well as across the HWB membership and beyond.

Policy Committee

17 December 2025



Reading
Borough Council
Working better with you

Title	2025/26 Quarter 2 Performance & Monitoring Report
Purpose of the report	To make a decision
Report status	Public report
Executive Director/ Statutory Officer Commissioning Report	Darren Carter, Director of Finance
Report author (name & job title)	Stuart Donnelly, Financial Planning & Strategy Manager Gavin Handford, Assistant Director Policy, Change & Customer Services
Lead Councillor (name & title)	Councillor Emberson, Lead Councillor for Corporate Services & Resources
Corporate priority	Not applicable, but still requires a decision
Recommendations	<p>That Policy Committee notes:</p> <ol style="list-style-type: none"> That the forecast General Fund revenue outturn position for Quarter 2 is an adverse net variance of £3.968m (Appendix 1); That £3.975m (34%) of savings have been delivered (blue) and £3.663m (32%) of savings are on track to be delivered (green) by March 2026. £2.143m (19%) of savings are currently categorised as non-deliverable (red) and £1.735m (15%) categorised as at risk of delivery (amber) (Appendix 2); That the General Fund Capital Programme is forecasting a positive net variance of £0.211m against the proposed revised budget of £76.754m (Appendix 3); That there is a total £2.927m Delivery Fund available for 2025/26 (inclusive of 2024/25 approved carry forwards). At Quarter 2, £2.801m of this funding has been allocated out to approved schemes; That the Housing Revenue Account (HRA) is projecting an adverse net variance of £0.197m as at the end of Quarter 2, which results in a forecast drawdown from HRA Reserves of £5.244m rather than the approved budgeted drawdown of £5.047m; That the HRA Capital Programme is forecasting to spend to budget against the proposed revised budget of £64.483m (Appendix 4). The performance achieved against the Council Plan success measures as set out in Section 12 of this report and Appendices 5 and 6; That an annual refresh of 'Investing in Readings Future Council Plan 2025-28' will take place, commencing in October 2025. An Annexe to the Plan will be published that contains: <ul style="list-style-type: none"> An update on achievements in 2025 and Lists the updated Projects and Key Performance Indicators (KPIs).

	<p>That Policy Committee approves:</p> <p>9. The amendments to the General Fund Capital Programme (as set out in Section 7 of this report and Appendix 3) resulting in a revised Capital Programme budget of £76.754m for 2025/26;</p> <p>10. The amendments to the HRA Capital Programme (as set out in further detail in Section 10 of this report and Appendix 4) resulting in a revised HRA Capital Programme budget of £64.483m for 2025/26.</p>
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1. Executive Summary

General Fund – Revenue

1.1 The overall forecast adverse net variance as at the end of Quarter 2 is £3.968m, which is a net improvement of £0.212m from the Quarter 1 position reported to Policy Committee on 17th September 2025.

1.2 The following table summarises the forecast position as at the end of Quarter 2:

Table 1. General Revenue Fund Forecast & Recovery Plan Mitigations 2025/26

Directorate	Gross Adverse / (Positive) Variance	Recovery Plan	Net Adverse / (Positive) Variance	Increase/ (decrease) from Quarter 1
	£m	£m	£m	£m
Communities & Adult Social Care	4.092	(4.092)	0.000	0.000
Children's Services	6.517	(1.093)	5.424	0.214
Economic Growth & Neighbourhood Services	2.595	(0.389)	2.206	0.337
Resources	0.151	0.000	0.151	(0.116)
Chief Executive Services	(0.031)	0.000	(0.031)	(0.003)
Sub Total Services	13.324	(5.574)	7.750	0.432
Corporate Budgets	(3.782)	0.000	(3.782)	(0.644)
Total	9.542	(5.574)	3.968	(0.212)

1.3 The main financial pressures within the overall adverse net variance forecast of £3.968m as at Quarter 2 are set out below:

Communities & Adult Social Care

1.4 Adult Social Care has identified cost pressures of £4.242m, a combination of increasing demand and inflationary pressures. A recovery plan is in place to mitigate these pressures with £4.092m deemed to be deliverable, which results in an overall net pressure of £0.150m. The gross pressures have increased by £0.108m from Quarter 1, the total forecast deliverable recovery plan has reduced by £0.042m (the amount of recovery plan delivered to date has increased by £0.258m) from Quarter 1. There has been a net increase in total service users of 148 from the end of Quarter 1.

1.5 This pressure is currently forecast to be fully offset by a £0.150m positive variance within Housing & Communities relating to utilisation of additional grant funding to fund existing pressures within homelessness.

Children's Services

1.6 Children's Services is currently forecasting gross cost pressures totalling £6.517m, with a recovery plan in place to mitigate £1.093m of these pressures, resulting in an overall net pressure of £5.424m at Quarter 2, which is an increase of £0.214m from Quarter 1. This increase is driven by several factors, including a particularly complex care placement,

additional home to school transport costs due to newly requested routes and support for more pupils.

Economic Growth and Neighbourhood Services

1.7 Net cost pressures totalling £2.206m are forecast within Economic Growth and Neighbourhood Services. This is an adverse movement of £0.337m from Quarter 1 which is comprised of increased pressures of £0.280m relating to Concessionary Fares within Planning, Transport & Public Protection, increased pressures of £0.240m relating to vehicle maintenance costs within Environmental & Commercial Services, an increased positive variance within Culture of £0.181m and other positive net movements totalling £0.002m across other services.

Corporate Budgets

1.8 Corporate Budgets is forecasting a net positive variance of £3.782m, which is an increase of £0.644m from Quarter 1. This movement from Quarter 1 primarily relates to a positive movement on Minimum Revenue Provision (MRP) of £0.534m due to the utilisation of £2.086m of Capital Receipts to repay debt relating to short life assets which removes the requirement to charge MRP for these assets and as well as a positive movement of £0.162m relating to a forecast improvement on the General Fund Bad Debt Provision.

Savings

1.9 The Quarter 2 forecast is that £3.975m (34%) of savings have been delivered (blue) and £3.663m (32%) of savings are on track to be delivered (green) by March 2026. £2.143m (19%) of savings are currently categorised as non-deliverable (red) and £1.735m (15%) categorised as at risk of delivery (amber) (Appendix 2).

1.10 The Savings Tracker which lists progress against each individual saving is attached as Appendix 2.

General Fund – Capital

1.11 The General Fund Capital Programme had an original budget for 2025/26 of £66.828m which was approved as part of the 2025/26 Budget. This budget was revised to £86.500m following approved adjustments as part of the subsequent Performance and Monitoring reports reported to Policy Committee.

1.12 This report is requesting further adjustments, as set out at summary level in Section 7 and in detail in Appendix 3, that would result in a revised approved budget of £76.754m for 2025/26.

1.13 At Quarter 2, against the proposed revised budget of £76.754m, the current forecast is a positive net variance of £0.211m. This variance relates entirely to the Delivery Fund. The General Fund Capital Programme is set out in more detail in Section 7 and Appendix 3.

Housing Revenue Account (HRA) – Revenue

1.14 The approved Housing Revenue Account (HRA) budget assumes a drawdown from HRA reserves of £5.047m. At Quarter 2, the forecast revenue outturn position on the HRA is an adverse net variance to budget of £0.197m, which is a net increase of £0.021m from Quarter 1. Therefore, a drawdown from the HRA Reserve is forecast of £5.244m rather than the budgeted £5.047m drawdown from reserves. These variances are set out in more detail in Section 9.

Housing Revenue Account (HRA) – Capital

1.15 The Housing Revenue Account (HRA) Capital Programme had an original budget of £90.143m which was approved as part of the 2025/26 Budget. This budget was revised to

£80.933m following approved adjustments as part of the subsequent Performance and Monitoring reports reported to Policy Committee.

- 1.16 This report is requesting further adjustments, as set out at summary level in Section 10 and in detail in Appendix 4, that would result in a revised approved budget of £64.483m for 2025/26.
- 1.17 At Quarter 2, the HRA Capital Programme is forecasting to spend to budget against the proposed revised budget of £64.483m. The HRA Capital Programme is set out in more detail in Section 10 and Appendix 4.

Performance

- 1.18 The report also sets out performance against the measures of success published in the Council Plan.
- 1.19 Of the 17 Council Plan Performance Measures monitored monthly or quarterly, 47% are currently at or above target (green), 24% within 10% of the target (amber), 24% are 10% or more off target (red) and 5% (1 measure) is not able to be reported for Quarter 2 but will be updated for Quarter 3.
- 1.20 Of the 51 Council Plan Projects, 2% are currently delivered (blue), 63% are on track (green), 31% are at risk (amber) and 4% are off track (red).
- 1.21 The full list of Performance Measures is attached at Appendix 5 and Projects as Appendix 6.
- 1.22 In previous years the Corporate Plan has been subject to annual revisions to ensure it stays up to date. It is therefore proposed to do a light touch refresh of our Council Plan 2025-28.
- 1.23 This would involve updating:
 - The list of projects to reflect any completed projects or those that are or will become business as usual in 2026/27.
 - Key Performance measures to ensure these are still the correct measures going forward and add results for 2024/25 and targets for the three subsequent years covering the period of the plan.
- 1.24 An annexe to the Council Plan will be published in Spring 2026 which contains 2025 achievements and lists the updated Projects and KPI's.

2. Policy Context

- 2.1. The Council approved the 2025/26 Budget and Medium-Term Financial Strategy (MTFS) 2025/26 – 2027/28 in February 2025.

3. General Fund – Revenue

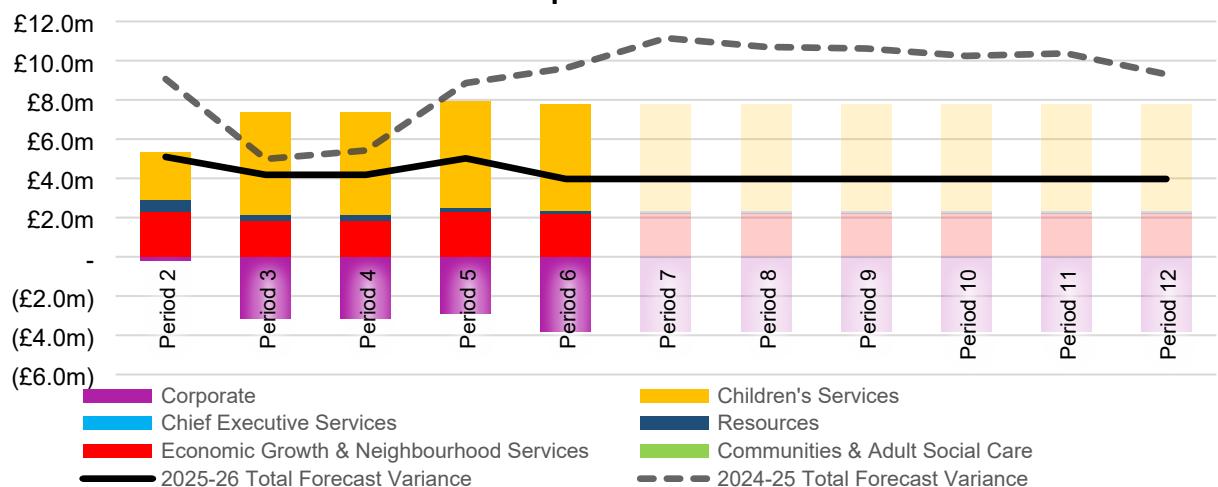
- 3.1. The forecast outturn position of the General Revenue Fund is an adverse net variance of £3.968m as at the end of Quarter 2 and is broken down by Directorate in the following table:

Table 2. General Revenue Fund Forecast by Directorate 2025/26

	Current Budget	Forecast Outturn	Forecast Variance	Increase/(decrease) from Quarter 1
	£m	£m	£m	£m
Communities & Adult Social Care	65.807	65.807	0.000	0.000
Children's Services	64.880	70.304	5.424	0.214
Economic Growth & Neighbourhood Services	20.597	22.803	2.206	0.337
Resources	21.639	21.790	0.151	(0.116)
Chief Executive Services	1.578	1.547	(0.031)	(0.003)
Total Service Expenditure	174.501	182.251	7.750	0.432
Capital Financing	17.296	16.233	(1.063)	(0.669)
Contingencies	3.238	2.500	(0.738)	0.000
Other Corporate Budgets	(12.981)	(13.118)	(0.137)	0.025
Movement in Reserves	(3.945)	(5.789)	(1.844)	0.000
Total Corporate Budgets	3.608	(0.174)	(3.782)	(0.644)
Net Budget Requirement	178.109	182.077	3.968	(0.212)
Financed by:				
Council Tax Income	(126.134)	(126.134)	0.000	0.000
NNDR Local Share	(34.330)	(34.330)	0.000	0.000
Section 31 Grant	(13.514)	(13.514)	0.000	0.000
New Homes Bonus	(0.812)	(0.812)	0.000	0.000
Revenue Support Grant	(2.771)	(2.771)	0.000	0.000
One-off Collection Fund Surplus	(0.548)	(0.548)	0.000	0.000
Total Funding	(178.109)	(178.109)	0.000	0.000
(Positive)/Adverse Variance	0.000	3.968	3.968	(0.212)

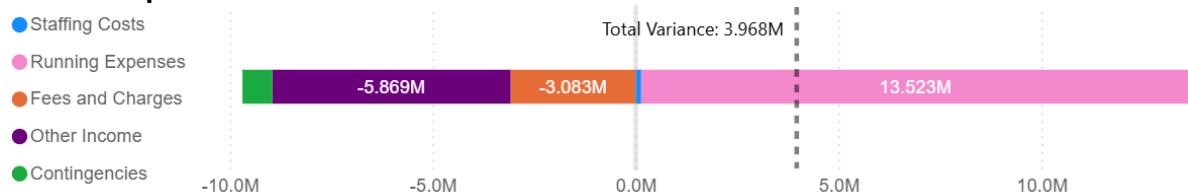
3.2. The following chart summarises the forecast budget variance, split by directorate, for each period to date.

Chart 1. Forecast Variance Period Comparison – General Fund



3.3. The following chart summarises the overall forecast budget variance for the Council by high level category:

Chart 2. Split of Total Variance – General Fund



Communities & Adult Social Care – Balanced Budget

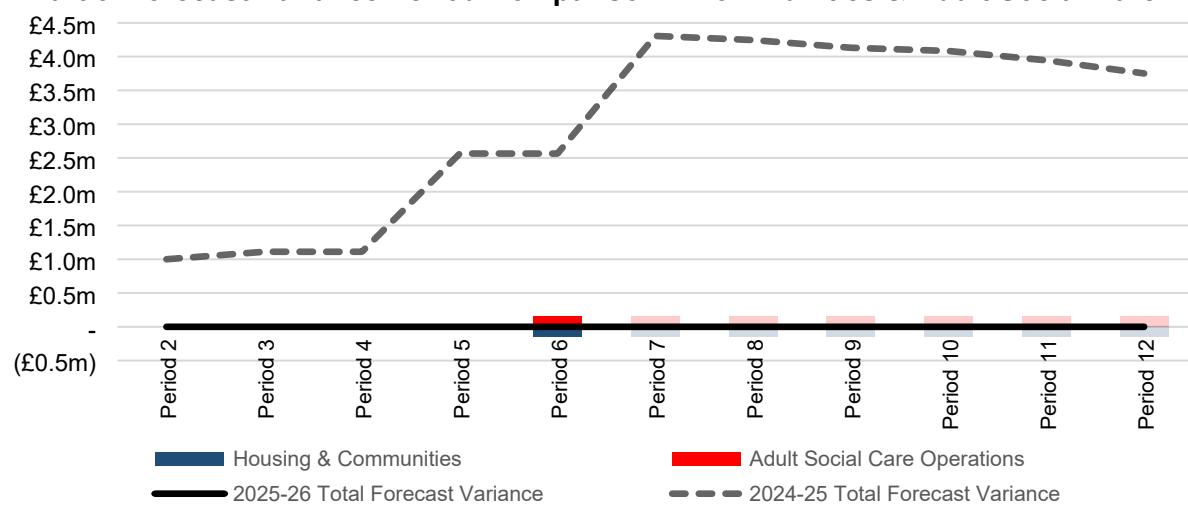
3.4. Communities & Adult Social Care is forecasting a balanced budget at Quarter 2, including Recovery Plan mitigations, which is unchanged from Quarter 1.

Table 3. Communities & Adult Social Care Services Forecast 2025/26

Service	Current Budget	Forecast Outturn	Forecast Variance	Increase/ (decrease) from Quarter 1
	£m	£m	£m	£m
Commissioning, Transformation & Performance	(8.015)	(8.015)	0.000	0.000
Adult Social Care Operations	60.831	60.981	0.150	0.150
Community & Adult Social Care Management	1.588	1.588	0.000	0.000
Safeguarding, Quality & Practice	7.853	7.853	0.000	0.000
Public Health	0.000	0.000	0.000	0.000
Housing & Communities	3.550	3.400	(0.150)	(0.150)
Total	65.807	65.807	0.000	0.000

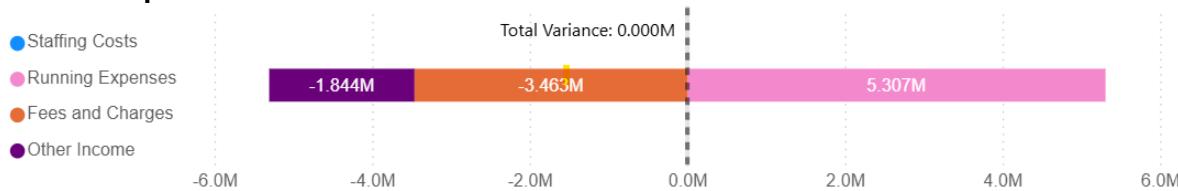
3.5. The following chart summarises the forecast budget variance, split by services within Communities & Adult Social Care, for each period to date.

Chart 3. Forecast Variance Period Comparison – Communities & Adult Social Care



3.6. The following chart summarises the overall forecast budget variance for Economic Growth & Neighbourhood Services by high level category:

Chart 4. Split of Total Variance – Communities & Adult Social Care



3.7. The explanation for these forecast variances is set out below.

Adult Social Care Operations – £0.150m adverse variance

3.8. Adult Social Care Operations is forecasting an adverse variance of £0.150m at Quarter 2, which is an adverse movement of £0.150m from Quarter 1. Gross pressures totalling £4.242m are projected to be offset by £4.092m of deliverable Recovery Plan mitigations, resulting in an adverse variance of £0.150m.

3.9. The Quarter 2 placements forecast from Mosaic is £60.105m, against a budget of £55.863m. This represents an un-adjusted forecast adverse variance of £4.242m related to cost of care. However, after the application of the deliverable Adult Social Care Recovery Plan, the adjusted year end forecast is an adverse variance of £0.150m.

3.10. DCASC developed a 2025/26 recovery plan target amounting to £4.658m, which includes the savings to be delivered as part of the planned dependency & demand (£2.168m) and further in-year savings (£2.490m) to be achieved to mitigate in year pressure arising. As at Quarter 2, £2.128m of the Recovery Plan has been achieved, with a further £1.964m expected to be achieved, resulting in total forecast recovery and savings delivery of £4.092m for the year. The recovery plan workstream targets were set in Quarter 1 based on the expected level of achievable savings resulting from a number of identified reviews among the service user cohort. At Quarter 2, the forecast output of this has been adjusted to reflect both the impact of part-year savings realisation for reviews not complete before Quarter 2 and latest assumptions on the service user cohort. Therefore, this results in a forecast variance of £0.150m in excess of budget on Adult Social Care Operations.

Table 4. DCASC Recovery Plan 2025/26

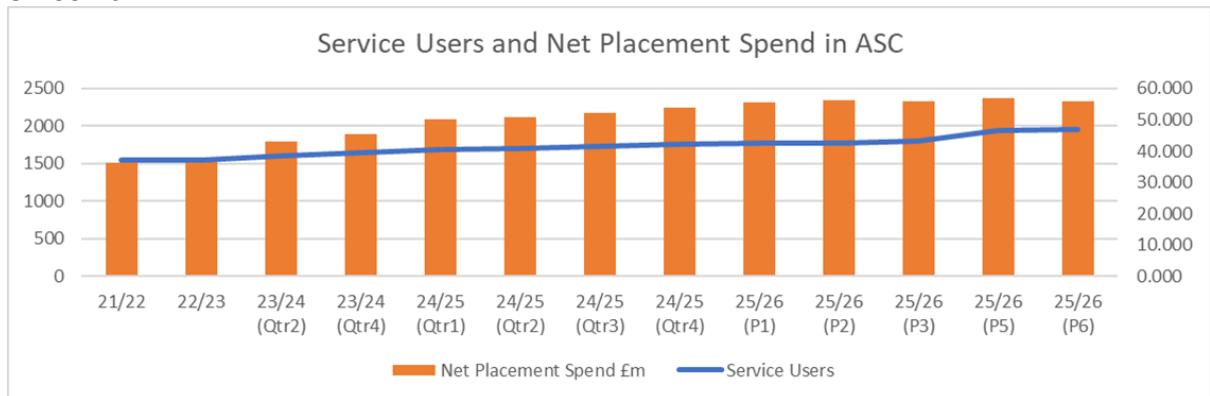
Scheme	Target 2025/26 (£m)	In-year Delivery Quarter 2 (£m)	Forecast In Year Delivery (£m)
In-Year Recovery Plan	(2.490)	(0.898)	(1.721)
In-Year Recovery Plan	(2.490)	(0.898)	(1.721)
Transitions	(0.189)	(0.188)	(0.550)
Routine Reviews (exc Supported Living)	(0.500)	(0.592)	(0.800)
Support living efficiencies	(0.376)	0.000	0.000
Targeted Double-Up Reviews	(0.180)	(0.097)	(0.145)
Income Review	(0.076)	(0.055)	(0.076)
Direct Payment Reviews	(0.177)	(0.112)	(0.150)
Extra Care Voids	(0.120)	(0.031)	(0.120)
High Cost Negotiations	(0.100)	(0.060)	(0.080)
Continuing Healthcare (Non-Transitions)	(0.450)	(0.095)	(0.450)
Dependency & Demand	(2.168)	(1.230)	(2.371)
Total Recovery Plan	(4.658)	(2.128)	(4.092)

3.11. The service users in place on 1st April 2025 was an average of 1,755 and by 30th September 2025 these had increased to 1,944. Analysis of referrals received from 2022/23 to the present date show a considerable increase in service users with a primary support reason of social support; increasing almost five-fold since 2022/23. Further analysis of the social support referrals identified 'support to carers' as the largest driver of this increase, with referrals of

this type already 1.5 times that of 2024/25 full-year referrals at the 2025/26 mid-year point. Social support needs arising from social isolation also show a significant rise, at just under 1.5 times that of 2024/25 full-year referrals.

3.12. The graph below illustrates the increase in service users across Adult Social Care Operations since 2021/22, and includes the increase to the Care Commitment Spend:

Chart 5. Increase in ASC Care Commitments Spend and Number of Service Users since 2021/22



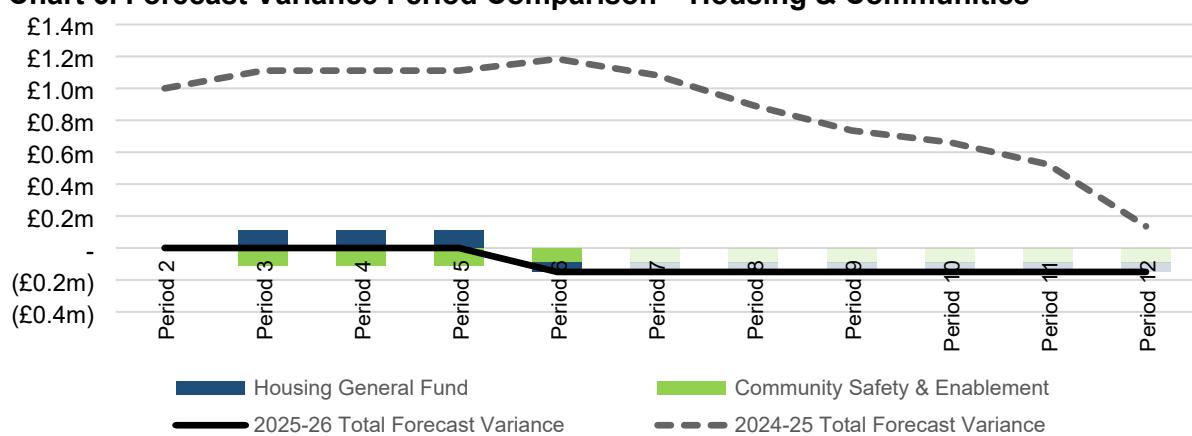
3.13. In addition to the current forecast, there is a risk that demand increases over the remainder of the year in line with the increase in 2024/25, which was 115 service users at a cost of approximately £3.600m. Using these figures as a baseline we would expect to see further demand growth of approximately £1.700m in 2025/26. This is not included in the forecast presented and is instead noted as a risk.

Housing & Communities – £0.150m positive variance

3.14. Housing & Communities is forecasting a positive variance of £0.150m at Quarter 2, which is a positive movement of £0.150m from Quarter 1.

3.15. The following chart summarises the forecast budget variance across Housing & Communities for each period to date.

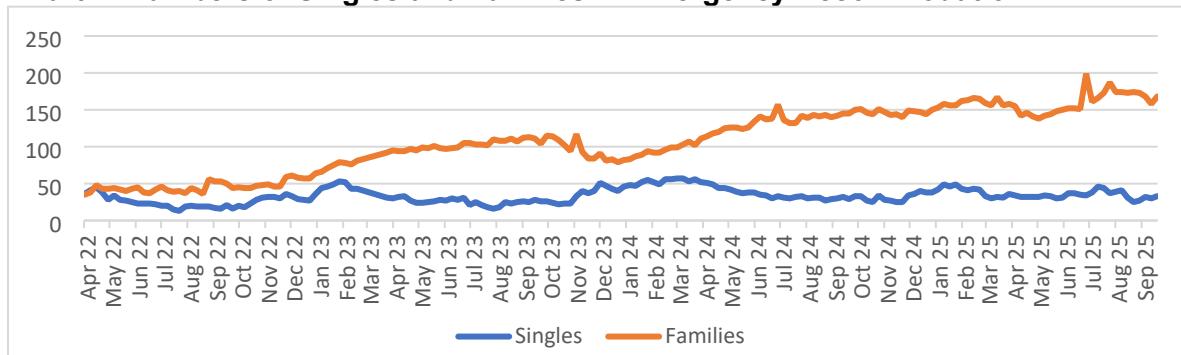
Chart 6. Forecast Variance Period Comparison – Housing & Communities



3.16. The 2025/26 Budget provided an additional £0.884m for Homelessness budgets compared to 2024/25. This increase, combined with an assumption that the level of Homes for Ukraine utilisation will be maintained in 2025/26 at 2024/25 levels and higher Homelessness Prevention Grant for 2025/26, results in the current expectation that there will be a positive variance of £0.150m against budget.

3.17. The number of singles and families in need of emergency accommodation is currently 201, which is a small increase from the level of 187 as at the end of March 2025 (as illustrated in Chart 7 below).

Chart 7. Numbers of Singles and Families in Emergency Accommodation



3.18. The average nightly rate is the other driver of pressures on homelessness budgets. As at the end of September 2025 (Quarter 2), the average nightly rate was £87.99 (£88.76 as at the end of March 2025), as illustrated in Chart 8 below.

Chart 8. Average Nightly Rate per Emergency Accommodation Placement



Children's Services - £5.424m adverse variance

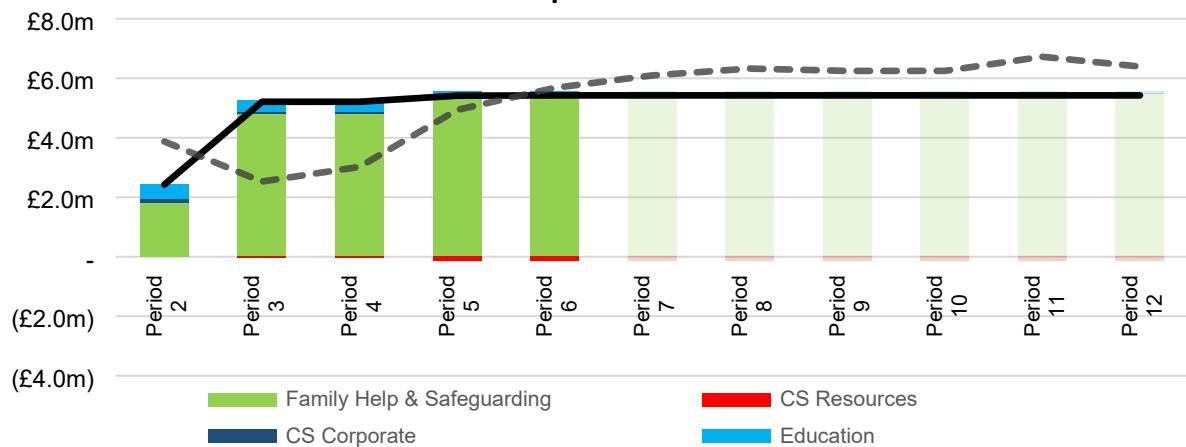
3.19. Children's Services (CS) is forecasting an overall adverse net variance of £5.424m at Quarter 2, summarised below. This is an adverse movement of £0.214m from Quarter 1.

Table 5. Children's Services Forecast 2025/26

Service	Budget	Forecast Outturn	Forecast Variance	Increase/ (decrease) from Quarter 1 £m
	£m	£m	£m	
Family Help & Safeguarding	49.169	54.642	5.473	0.657
CS Resources	2.793	2.643	(0.150)	(0.102)
CS Corporate	(0.246)	(0.231)	0.015	(0.028)
Education	64.743	64.829	0.086	(0.313)
Dedicated Schools Grant	(58.749)	(58.749)	0.000	0.000
Service Level Agreements	6.716	6.716	0.000	0.000
BFfC Contract Funding	(0.401)	(0.401)	0.000	0.000
CS Retained by Council	0.855	0.855	0.000	0.000
Total	64.880	70.304	5.424	0.214

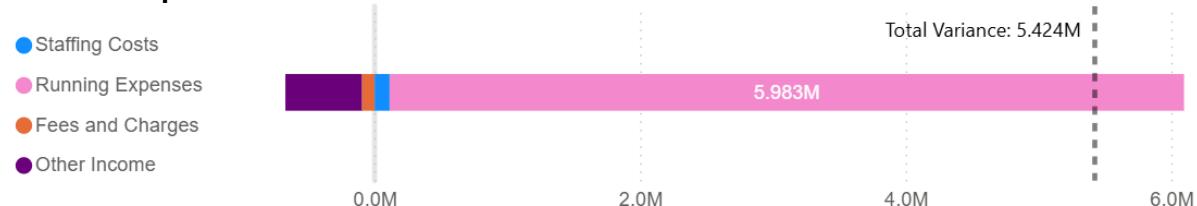
3.20. The following chart summarises the forecast budget variance, split by services within Children's Services, for each period to date.

Chart 9. Forecast Variance Period Comparison – Children’s Services



3.21. The following chart summarises the overall forecast budget variance for Children’s Services by high level category:

Chart 10. Split of Total Variance – Children’s Services



3.22. Family Help and Safeguarding, which encompasses both Children’s Social Care and Early Help budgets, is currently forecasting an adverse net variance of £5.473m at Quarter 2. This is an adverse movement of £0.657m from Quarter 1, primarily driven by increased costs associated with Children Looked After.

3.23. The most significant cost pressures have arisen in Period 5, where two individual cases have contributed a combined increase of £0.450m:

- One child transitioned from living at home into a residential care placement as an emergency placement due to significant mental health needs, with weekly costs exceeding £8,000.
- Another child experienced a breakdown in a kinship care arrangement, necessitating a new placement costing over £5,000 per week.

3.24. These cases reflect the broader challenges in securing appropriate, cost-effective placements for children with complex needs, and highlight the volatility and financial sensitivity of the Children Looked After budget. The service continues to monitor placement activity closely and is working to identify opportunities for cost mitigation and improved placement stability.

3.25. In addition to the rising costs associated with care placements, there has also been a notable increase in legal expenditure. This is primarily due to the high volume and complexity of legal work currently required to support children’s social care cases. The escalation in legal activity reflects the growing number of care proceedings, placement challenges, and safeguarding interventions, all of which demand significant input from Legal Services.

3.26. The service is very much engaged around Edge of Care, and the Edge of Care team has delivered significant impact through its work with families, resulting in year-to-date (Quarter 2) cost avoidance of £2.800m. Since the beginning of the financial year, the team has supported 68 children, providing targeted interventions that have helped prevent escalation into more costly statutory services. This proactive approach not only supports better

outcomes for children and families but also contributes to the financial sustainability of the wider system.

- 3.27. CS Resources is forecasting a positive variance of £0.150m of which £0.145m relates to vacancy savings within the Commissioning team, driven by unfilled posts and delayed recruitment.
- 3.28. CS Corporate Services is forecasting an adverse variance of £0.015m due to reduced interest income linked to the lower base rate and ongoing historic teacher pension costs.
- 3.29. Education is forecasting an adverse variance of £0.086m. This variance primarily relates to a pressure relating to home to school transport, which is partially offset by a positive variance within the Educational Management Service, an increase in the projected savings from the Education Psychology service and the application of reserves.

Economic Growth & Neighbourhood Services - £2.206m adverse variance

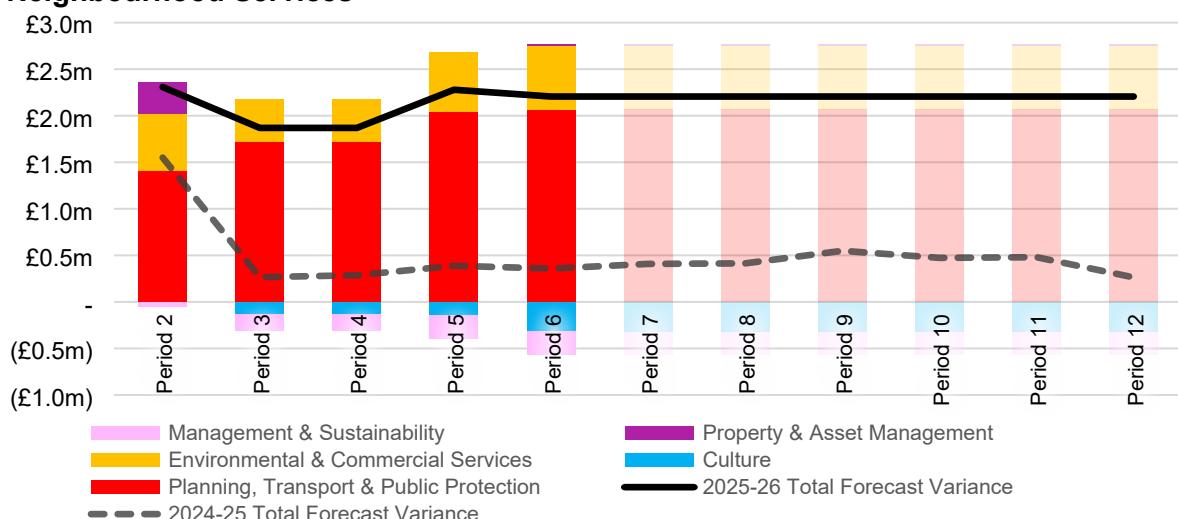
- 3.30. Economic Growth & Neighbourhood Services' is forecasting an adverse net variance of £2.206m at Quarter 2, which is an adverse movement of £0.337m from Quarter 1 and is summarised by service below. This forecast includes recovery plan mitigations totalling £0.389m.

Table 6. Economic Growth & Neighbourhood Services Forecast 2025/26

Service	Budget	Forecast Outturn	Forecast Variance	Increase/ (decrease) from Quarter 1 £m
	£m	£m	£m	
Planning, Transport & Public Protection	(0.173)	1.891	2.064	0.343
Culture	3.029	2.714	(0.315)	(0.181)
Environmental & Commercial Services	18.634	19.321	0.687	0.228
Property & Asset Management	(2.099)	(2.079)	0.020	0.020
Management & Sustainability	1.206	0.956	(0.250)	(0.073)
Total	20.597	22.803	2.206	0.337

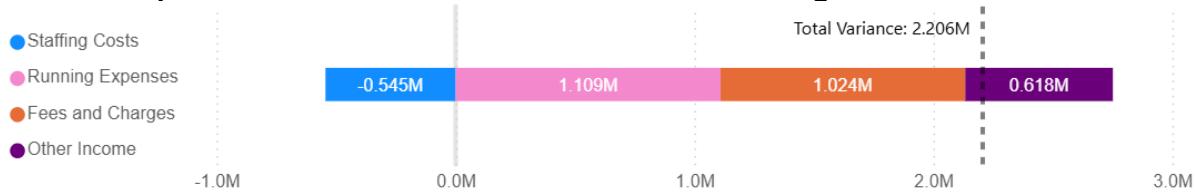
- 3.31. The following chart summarises the forecast budget variance, split by services within Economic Growth & Neighbourhood Services, for each period to date.

Chart 11. Forecast Variance Period Comparison – Economic Growth & Neighbourhood Services



3.32. The following chart summarises the overall forecast budget variance for Economic Growth & Neighbourhood Services by high level category:

Chart 12. Split of Total Variance – Economic Growth & Neighbourhood Services



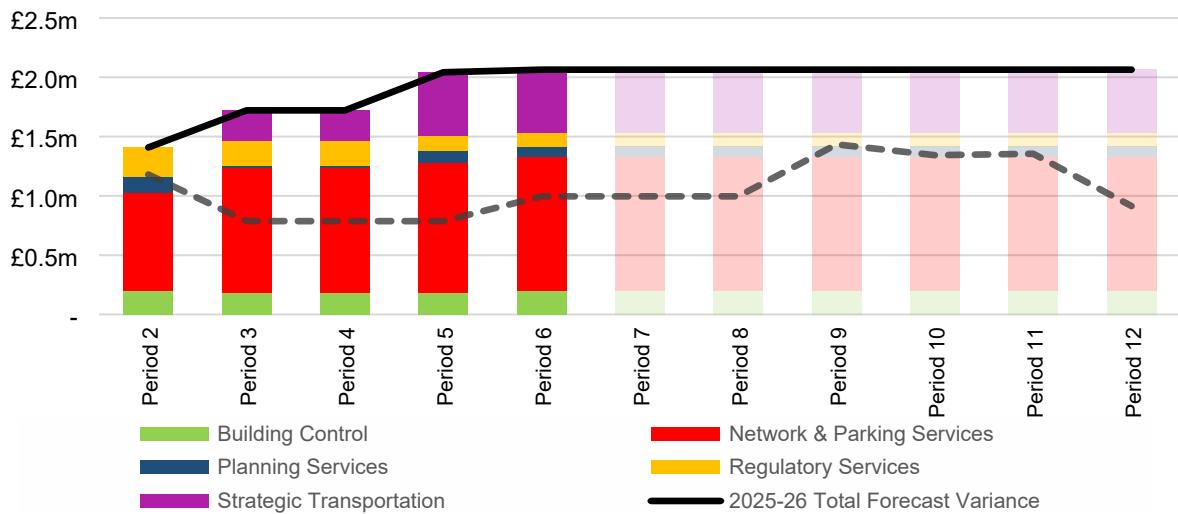
3.33. The explanation for these variances is set out below.

Planning, Transport and Public Protection - £2.064m adverse variance

3.34. Planning, Transport and Public Protection is forecasting an adverse variance of £2.064m at Quarter 2, which is an adverse movement of £0.343m from Quarter 1. This forecast includes £0.154m of Recovery Plan mitigations. The primary increase from Quarter 1 monitoring relates to Concessionary Fares which is reporting an adverse movement of £0.280m.

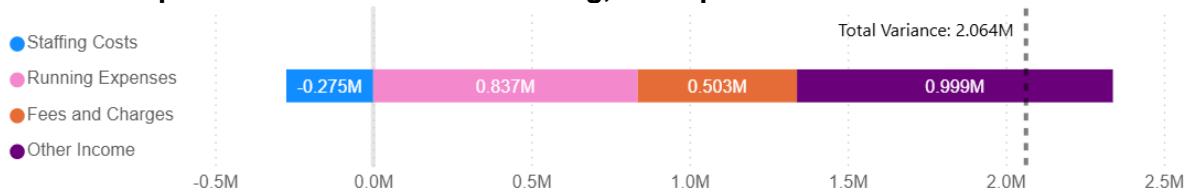
3.35. The following chart summarises the forecast budget variance across Planning, Transport and Public Protection for each period to date.

Chart 13. Forecast Variance Period Comparison – Planning, Transport & Public Protection



3.36. The following chart summarises the overall forecast budget variance for Planning, Transport & Public Protection by high level category:

Chart 14. Split of Total Variance – Planning, Transport & Public Protection



3.37. Building Control is forecasting an adverse variance of £0.198m. There is an adverse variance on income generation of £0.151m. This income shortfall directly correlates to the lack of qualified staff to undertake the fee earning work. Recent rounds of recruitment have been unsuccessful in appointing permanent staff and there is a positive variance for permanent staff costs, however hopes of reducing use of agency staff and their costs have not been realised, resulting in an adverse net variance across staffing and agency budgets of

£0.047m. The recruitment challenge has become more significant with a change in legislation which has resulted in professionals leaving the sector.

3.38. Planning is forecasting an adverse net variance of £0.092m. There are pressures on staffing and running expenses totalling £0.082m, which includes £0.010m of Recovery Plan mitigations. There is also a net pressure of £0.010m relating to income which is directly related to the number of planning applications, which corresponds to the £0.055m of red rated savings (Appendix 2). Planning applications have been impacted by successive development risks such as inflation, materials costs, changes in legislation and market factors such as high costs of mortgages. In 2024/25 the Community Infrastructure Levy (CIL) administration grant was significantly higher than the budget and helped to mitigate these income pressures; it is currently assumed that this overachievement will repeat in 2025/26. The team have also been promoting the use of Planning Performance Agreements (PPAs) on Major schemes and anticipate an additional £0.100m from this income stream this year which has helped to contain the forecast income pressure to £0.010m.

3.39. Planning Enforcement is forecasting a positive net variance of £0.085m relating to staffing vacancies within the team. There are two vacancies being held to mitigate against pressures across the rest of the service, with a decision to delay previously intended recruitment contributing £0.044m towards the Recovery Plan.

3.40. Houses in Multiple Occupation (HMO) licensing is forecasting an adverse variance of £0.225m, which is a positive movement from Quarter 1 of £0.021m. This variance is primarily due to the expected number of licenses not being realised following the extension of the mandatory licensing scheme in previous years, which has created an unachievable income target. A business case has been submitted to deal with the situation in HMO licensing for 2026/27 to rebase income targets, factor in an increase in fees, and include the growth required under the new Renters Reform Act (net of expected new burdens funding).

3.41. Concessionary Fares is forecasting an adverse variance of £0.580m, which is an adverse movement of £0.280m from the Quarter 1 monitoring. The reimbursement rates provided by the Department for Transport have increased across the board as shown in the table below. These rates are higher than the levels assumed in the budget as the announcement of the reimbursement levels for 2025/26 was announced after the budget was set. Furthermore, the total number of journeys currently anticipated to be reimbursed during 2025/26 is 3,453,000 journeys, which is an increase of 174,000 from the 2024/25 level of 3,279,000 journeys. The combination of the increase in rates and the numbers of journeys is projected to lead to a pressure of £0.580m, whilst it was hoped to maintain the pressure at the £0.300m level, further review and further verification of the large increase in the numbers of journeys has identified the full in year pressure. This budget shortfall will be addressed through the 2026/27 Budget setting process. Consideration could also be given to use any increase to the dividend received from Reading Transport Limited (RTL) to offset these pressures; however, this will not be quantifiable until December when RTL bring their interim dividend proposal to Policy Committee, noting that RTL advised Policy Committee on 17th September 2025 that their financial position was not as healthy as it was in 2024/25. This £0.580m pressure is partially offset by £0.047m of Bus Service Improvement Plan funding which results in an overall net pressure within Strategic Transport of £0.533m.

Table 7. Concessionary Fares Reimbursement Rates

Reading Buses	2024/25	2025/26	Change
Urban	£1.07	£1.09	1.87%
Inter-Urban	£1.38	£1.46	5.80%
Rural	£1.31	£1.46	11.45%

3.42. There is a forecast adverse net variance of £0.338m relating to Bus Lane Enforcement income and Special Parking Area income, which is a positive movement of £0.109m from Quarter 1. There is a measurable decrease in penalties being issued due to improved driver compliance which is continuing from previous years. New bus lanes introduced in 2024 will

start generating income from penalty charge notices as the statutory warning period expired at the end of June 2025, although this extra income is expected to be minimal.

- 3.43. A new enforcement contract began in November 2023 which resulted in an expected rise in the contracted spend but also expects a corresponding increase in income from Penalty Charge Notices (PCNs) to more than offset the additional spend within the contract. Although income performance is generally stronger than in previous years it is not currently outperforming the increased spend in the contract; further monitoring of the performance is being undertaken to examine if performance is likely to improve. There have been some recent adjustments made to the operations of the enforcement contract to reduce the overnight enforcement which was not generating sufficient revenue to offset the costs of operating the contract. Reductions in the level of cash collection have also been made which will also reduce the base cost going forward. There's an expectation that the newly installed pay & display machines will further reduce the level of cash being taken (lower number of machines in total and many of the new machines are contactless only) which will also reduce the level of cash collection required further reducing costs.
- 3.44. Moving Traffic Enforcement is forecasting an adverse net variance of £0.264m, which is unchanged from Quarter 1. There is an income pressure of £0.506m primarily driven by increased compliance, and an adverse variance of £0.015m across running expenses, which is partially offset by £0.257m of positive variances relating to staffing. This area remains an ongoing area of concern. Some sites are generating zero non-compliance and currently there are no other sites where enforcement could be switched out to, although this continues to be under review at present. It should be noted, that across Bus Lane Enforcement, Moving Traffic Enforcement and Parking Enforcement that whilst reducing numbers of PCN's being issued has a significant financial impact, it is achieving compliance, which is the ultimate goal of all traffic enforcement.
- 3.45. Off Street Parking income is currently forecasting an adverse variance of £0.063m, which is an adverse movement of £0.063m from Quarter 1. The expected date when Broad Street Mall car park income is reduced has been pushed back to after April 2026, from its original date of January 2026 which has helped the position, but risks remain in the rest of the Car Park estate. As reported previously, there have been a number of risks highlighted which have contributed to income pressures e.g. the increased cost of living, increased levels of working from home and higher fuel costs is leading to fewer visits to town centre. Additionally, further rental spaces to the Royal Berkshire Hospital at Queens Road has not delivered the additional income anticipated due to the Hospital seeking other alternates to support staff feedback about proximity and safety. Town Centre car parks are subject to competition from providers such as the Oracle, who currently undercut the council's tariffs and have newer facilities. There have also been ongoing issues around reliability of infrastructure which have impacted Broad Street Mall and Queens Road which have reduced income levels. The decreasing draw of the high street for shoppers is another factor in the risk of pressures in this area.
- 3.46. Special Parking Area is forecasting an adverse variance of £0.139m, due to an increase in postage fees following agreement with a new supplier, and also volumes of Penalty Charge notices issued being lower than the budget.
- 3.47. On Street Pay and Display is forecasting an adverse variance of £0.325m, which is an adverse movement of £0.088m from Quarter 1. This is primarily driven by lower volume of parking fees than budgeted. This has been slightly offset by an increase in charges and removal of free parking.
- 3.48. The 2026/2027 budget setting process contains a business case which if agreed is expected to deal with all the pressures seen above across Car Parking for 2026/27.
- 3.49. Other forecast positive net variances total £0.028m across the service.

Culture – £0.315m positive variance

- 3.50. Culture is forecasting a positive variance of £0.315m at Quarter 2, including £0.085m of Recovery Plan mitigations. This is a positive movement of £0.181m from Quarter 1 primarily within Active Reading due to better than anticipated energy costs, closure of the demountable pool and an improvement on the contract sum.
- 3.51. Within the Active Reading service, the GLL Contract is reporting a total positive variance of £0.290m. This is due to a £0.140m improvement following the energy benchmarking cost exercise, reflecting the lower unit costs and usage as well as an improvement on the contract sum. Further savings are from closure of the demountable pool, saving £0.060m. As well as this, energy tariffs are lower than budgeted for resulting in a further saving of £0.030m. In addition, this forecast includes £0.060m of Recovery Plan mitigations.
- 3.52. Archives is forecasting a positive variance of £0.025m relating to various Recovery Plan mitigations.

Environmental & Commercial Services – £0.687m adverse variance

- 3.53. Environmental & Commercial Services is forecasting an adverse variance of £0.687m at Quarter 2, which is an adverse movement of £0.228m from Quarter 1. The primary increase from Quarter 1 relates to adverse movements in the vehicle maintenance costs within Fleet of £0.240m, a £0.050m adverse movement in Highways and Drainage, £0.033m adverse movement in Recycling and Waste Collection, which have been offset by positive movements in the position within Waste Disposal of £0.050m and £0.045m within Streetscene.
- 3.54. Streetscene is forecasting a positive variance of £0.085m relating to staffing vacancies.
- 3.55. Recycling and Waste Collection is forecasting an adverse net variance of £0.082m. The service continues to suffer from vehicle malfunctions and staff sickness (including high levels of long-term sick) which means that agency worker and overtime costs are higher than budgeted. New collection routes have been in place since 9th June 2025 and whilst there are positive signs that this will reduce the need for hire vehicles and also levels of overtime, these are still expected to exceed budget allocation for the year. This forecast pressure totals £0.393m and is after the application of the Delivery Fund agreed Route Optimisation costs. Large numbers of garden waste collection services are due for renewal in July and August, and it is hoped that higher numbers of service users than anticipated will renew their second bin which is now charged for. This may help to offset some of the adverse variance on employee costs, and this will be confirmed in September. This pressure is partially offset by an announced increase of £0.311m to the Extended Producer Responsibility payment that the Council will receive for 2025/26.
- 3.56. Fleet Management is forecasting an adverse variance of £0.415m, which is an adverse movement of £0.240m from Quarter 1. Vehicle hire costs for Recycling and Waste Collection have resulted in costs much higher than budgeted, and additional vehicles have been hired to assist with the new collection rounds following the route optimisation work. This will create an adverse variance of £0.065m. The Fleet is not as reliable as hoped and newer second-hand vehicles will be purchased which should reduce the costs of hire once these are in place. The new maintenance contract is now running but the cost and activity within unplanned/reactive maintenance costs will create an adverse variance of £0.325m. Plans are being put in place to further manage the contract over the next few months to try to alleviate some of these pressures. A reduction in receipts from older vehicle sales and maintenance on Electric Vehicle charging units will create an adverse variance of £0.025m.
- 3.57. Highways and Drainage is reporting an adverse variance of £0.300m. As in previous years a review of the costs of the service has highlighted that the income target is not achievable. A majority of the work carried out by the team is for internal services and Capital projects and it is not possible to charge the margin required in order to make the income total. The

review will now continue and will hopefully identify some remedial action and redesign the method of cost allocations across Environmental & Commercial Services and likely remove recharging to a minimum but is not expected to cover the whole adverse variance. A Business case has been presented as part of the 2026/27 Budget setting process which is expected to resolve this issue.

- 3.58. Civil Engineering is forecasting an adverse variance of £0.200m. The costs of the Low Bandwidth Network (LoRAWAN) are expected to be met from this budget in 2025/26. In the long-term it is hoped these will help reduce cost in areas like Winter Maintenance through the use of sensors but in the short-term this will cost the service. A further pressure is likely to arise from the Streetlighting maintenance contract, which is a combined capital and revenue contract. As there is an ageing asset base it means more structural failures and repairs. There is a review underway to simplify the recharging in this area in 2025/26. Recharges from Highways and the capitalisation are also being reviewed to see if this can be simplified and actioned during the year to aid monitoring.
- 3.59. Network Services is forecasting an adverse variance of £0.100m. As in previous years it will not be possible to achieve the capital recharge budget for the staffing costs and other income streams are also expected to fall short of their target. The new Intelligent Traffic Signals contract has recently commenced, and it is hoped that this and the removal of the joint arrangement around this will simplify the spend and make it easier to monitor during the year.
- 3.60. Waste Disposal is forecasting a positive variance of £0.325m, which is a positive movement of £0.050m from Quarter 1. Residual Waste and Green Waste disposal costs are currently lower than expected by £0.117m, recyclate income is expected to be higher than expected by £0.032m, consultancy fees will be lower than expected by £0.040m, and the Excess Profit Share for 2024/25 has been agreed at £0.016m. The provision within the budget for additional insurance within the Re3 contract will not be needed in 2025/26 and so £0.120m has been released as a positive variance.

Property & Asset Management – £0.020m adverse variance

- 3.61. Property & Asset Management forecasting an adverse variance of £0.020m at Quarter 2. This is an adverse movement of £0.020m from Quarter 1 relating to Reactive repairs pressures within Property services.
- 3.62. Acre Business Park is forecasting an adverse net variance of £0.140m. This is due to the underachievement of budgeted income resulting from an increase in vacancies on rented units as well as delay in the capital works to release more sites for rent. This variance will be offset by a drawdown of £0.140m from the Commercial Properties Liability Reserve.
- 3.63. Facilities Management is forecasting a positive variance of £0.010m due to a recruitment lag of £0.050m in Buildings Payroll, which is partially offset by a pressure of £0.040m relating to staffing within the cleaning service.
- 3.64. Corporate Maintenance services are forecasting an adverse net variance of £0.030m relating to non-rechargeable reactive maintenance works on council properties based on prior year experience as well as current demand of £0.100m, this is net of salaries saving of £0.070m due to vacancies. There is a risk of this adverse variance rising up to £0.200m relating to non-rechargeable reactive maintenance works on council properties based on prior year experience and potential increased spend requirements over the winter period. However, at present it is forecast that this pressure can be largely contained by mitigating preventative actions to a net adverse variance of £0.030m.

Management & Sustainability – £0.250m positive variance

- 3.65. Management & Sustainability is forecasting a positive variance of £0.250m at Quarter 2. This is a positive movement of £0.073m from Quarter 1 and relates to holding vacancies for a longer period than had been assumed in Quarter 1. A positive variance of £0.280m relating

to vacancies in the Management Team will be slightly offset by adverse variances of £0.030m on employee costs in Sustainability. An adverse variance on advertising income of £0.025m will be fully offset by holding vacancies and reduced running expenses. This variance includes £0.140m of Recovery Plan mitigations relating to holding of management team vacancies until the end of the financial year.

Resources - £0.151m adverse variance

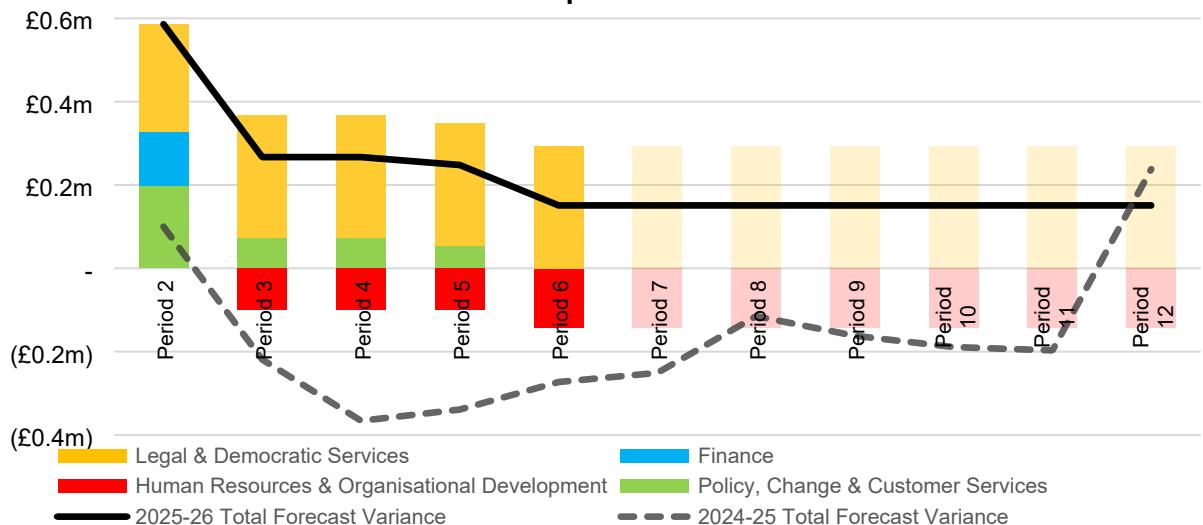
3.66. The Directorate of Resources is forecasting an adverse net variance of £0.151m at Quarter 2, which is a positive movement of £0.116m from Quarter 1.

Table 8. Resources Services Forecast 2025/26

Service	Budget	Forecast Outturn	Forecast Variance	Increase/ (decrease) from Quarter 1
	£m	£m	£m	
Policy, Change & Customer Services	3.626	3.626	0.000	(0.073)
Human Resources & Organisational Development	2.116	1.973	(0.143)	(0.043)
Finance	5.831	5.831	0.000	0.000
Legal & Democratic Services	3.440	3.734	0.294	0.000
Digital & IT	6.626	6.626	0.000	0.000
Total	21.639	21.790	0.151	(0.116)

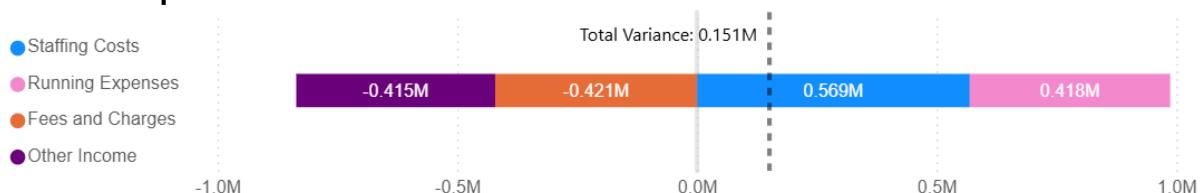
3.67. The following chart summarises the forecast budget variance, split by services within Resources, for each period to date.

Chart 15. Forecast Variance Period Comparison – Resources



3.68. The following chart summarises the overall forecast budget variance for Resources by high level category:

Chart 16. Split of Total Variance – Resources



3.69. The explanations for these variances are set out below.

Policy, Change & Customer Services – Balanced Budget

- 3.70. Policy, Change & Customer Services is forecasting a balanced budget at Quarter 2, which is a positive movement of £0.073m from Quarter 1.
- 3.71. The Customer Experience Programme has a savings target of £0.500m for this year. Savings of £0.403m have been approved as at Quarter 2, leaving a forecast saving shortfall of £0.097m. This is under review, with the aim of agreeing the actions required to deliver the remaining saving, however at this stage it is reported as 'at risk'. If these remain at risk, the service will develop a local recovery plan to address the shortfall.
- 3.72. The service is experiencing budgetary pressures delivering the Prevent Programme, along with challenges delivering the vacancy factor within the Customer Fulfilment Centre which is also being reported as 'at risk', resulting in a net budgetary pressure of £0.087m.
- 3.73. These budget pressures are being offset by increased income within the Bereavement & Registration service of £0.156m and a £0.028m positive variance on salaries in the Policy Team.

Human Resources & Organisational Development – £0.143m positive variance

- 3.74. Human Resources & Organisational Development is forecasting a positive variance of £0.143m at Quarter 2. This is a positive movement of £0.043m from Quarter 1, due to additional income at Kennet Day Nursery via Early Years Funding and other minor variances.

Finance – Balanced Budget

- 3.75. Finance is forecasting a balanced budget at Quarter 2, which is unchanged from Quarter 1.
- 3.76. Finance is anticipating to fully deliver its planned savings programme of £0.318m in 2025/26.
- 3.77. Staffing pressures are being experienced from delivering its programmes, such as the timely closure of accounts, which is being mitigated through on-going vacancy management, during the remainder of the year.

Legal & Democratic Services – £0.294m adverse variance

- 3.78. Legal & Democratic Services is forecasting an adverse variance of £0.294m at Quarter 2, which is unchanged from Quarter 1.
- 3.79. Staffing and agency costs within Legal Services are adding £0.300m of pressure, which is partially offset by £0.050m of recovered legal costs. Other minor variances across the service attribute to an additional pressure of £0.044m.
- 3.80. The staffing establishment is currently under review as part of delivering budgetary mitigations.

Digital & IT – Balanced Budget

- 3.81. Digital & IT is forecasting a balanced budget at Quarter 2, which is unchanged from Quarter 1.

Chief Executive Services – £0.031m positive variance

- 3.82. Chief Executive Services is forecasting a positive net variance of £0.031m at Quarter 2, which is a positive movement of £0.003m from Quarter 1.

Table 9. Chief Executive Services Forecast 2025/26

Service	Budget	Forecast Outturn	Forecast Variance	Increase/ (decrease) from Quarter 1
	£m	£m	£m	
Executive Management Team	0.944	0.919	(0.025)	(0.003)
Communications	0.634	0.628	(0.006)	0.000
Total	1.578	1.547	(0.031)	(0.003)

Executive Management Team – £0.025m positive variance

3.83. Executive Management Team is currently forecasting a positive variance of £0.025m, relating to staffing budgets.

Communications – £0.006m positive variance

3.84. Communications is currently forecasting a positive variance of £0.006m, due to additional income via the Lord Lieutenant Joint Arrangement administration fee.

Corporate Budgets - £3.782m positive variance

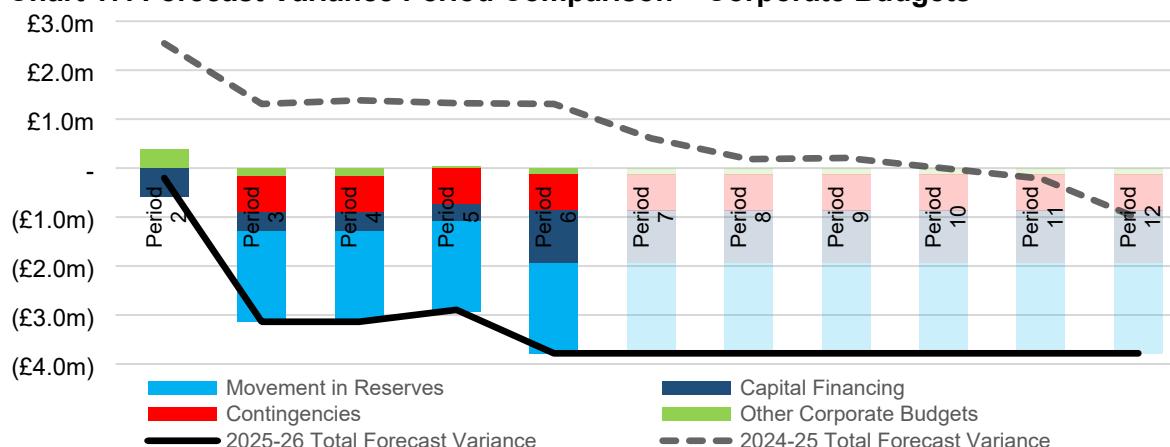
3.85. Corporate Budgets are forecasting a positive net variance of £3.782m at Quarter 2, which is a positive movement of £0.644m from Quarter 1 and is summarised below.

Table 10. Corporate Budgets Forecast 2025/26

Service	Budget	Forecast Outturn	Forecast Variance	Increase/ (decrease) from Quarter 1
	£m	£m	£m	
Capital Financing Costs	17.296	16.233	(1.063)	(0.669)
Contingencies	3.238	2.500	(0.738)	0.000
Other Corporate Budgets	(12.981)	(13.118)	(0.137)	0.025
Movement to/(from) Reserves	(3.945)	(5.789)	(1.844)	0.000
Total	3.608	(0.174)	(3.782)	(0.644)

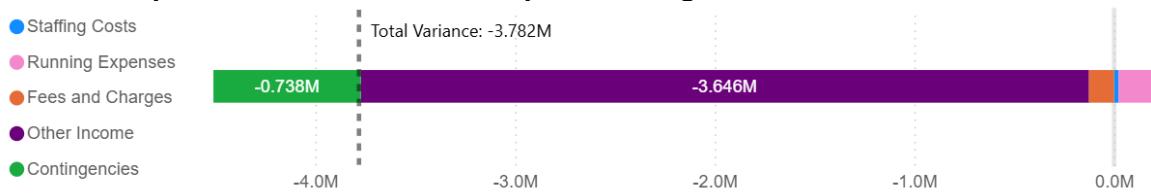
3.86. The following chart summarises the forecast budget variance, split by services within Corporate Budgets, for each period to date.

Chart 17. Forecast Variance Period Comparison – Corporate Budgets



3.87. The following chart summarises the overall forecast budget variance for Corporate Budgets by high level category:

Chart 18. Split of Total Variance – Corporate Budgets



1.25 Capital Financing Costs is forecasting a positive total net variance of £1.063m, which is a positive movement of £0.669m from Quarter 1. There is an adverse variance of £0.914m on the interest payable budget, however this is offset by a positive variance of £1.404m on the interest receivable budget. Additionally, there is a positive variance of £0.573m relating to the Minimum Revenue Provision (MRP), which is an improvement of £0.534m from Quarter 1 due to the utilisation of £2.086m of Capital Receipts to repay debt relating to short life assets which removes the requirement to charge MRP for these assets.

3.88. Other Corporate Budgets is forecasting a positive net variance of £0.137m, which is an adverse movement of £0.025m from Quarter 1. This includes a projected positive variance of £0.162m against the General Fund Bad Debt Provision based on the level and age of outstanding debt as at the end of September.

3.89. It is currently assumed that £2.500m of the £3.238m Corporate Contingency budget will be needed to fund inflationary uplift pressures yet to materialise or be reported within Social Care Placement budgets. Therefore, the residual £0.738m contingency is currently forecast to contribute a positive variance to the overall General Fund position.

3.90. Movement in Reserves is forecasting a positive variance of £1.844m as a result of additional releases from earmarked reserves to mitigate against the significant pressures forecast within Children's Services.

4. Savings Delivery

4.1. Delivery of the Council's budget is predicated on achieving savings and additional income as agreed as part of the budget setting process in February 2025. Detailed monitoring of agreed savings is tracked on a monthly basis.

4.2. The projected financial impact of any non-delivery of savings has been included in the projected outturn position reported above.

4.3. A total of £5.451m of savings were delivered in 2024/25. The residual £1.837m of undelivered and removed savings and £1.279m of vacancy factor savings have been carried forward for delivery in 2025/26, giving a revised 2025/26 savings target of £11.516m.

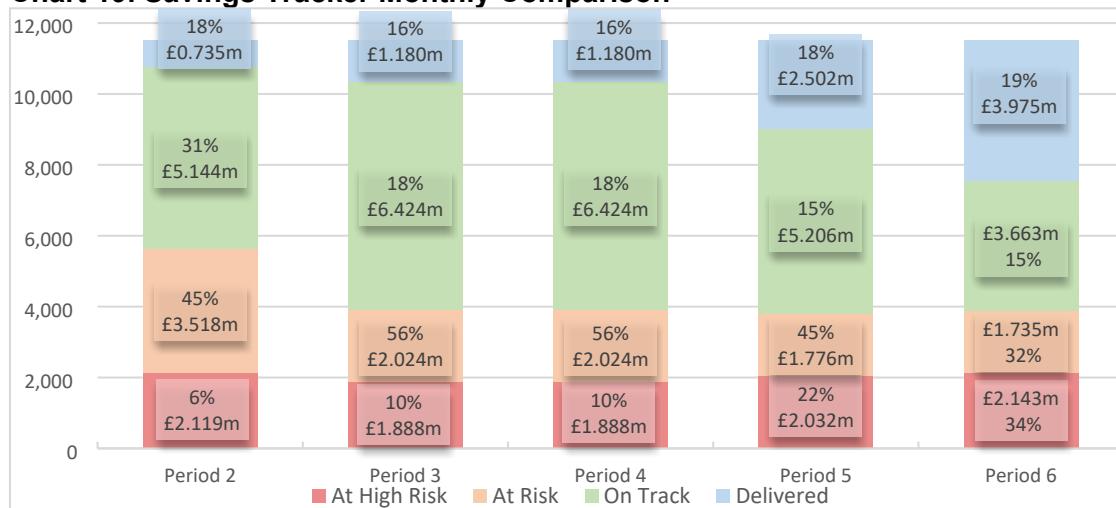
4.4. The following table summarises the current forecast savings delivery for 2025/26 (a breakdown by individual saving is provided in Appendix 2):

Table 11. General Funds Savings Tracker Summary

Service	Savings At Risk £m	Savings Delayed or at Risk £m	Savings on Track £m	Savings Achieved £m	Directorate Total £m
Communities and Adult Social Care	0.000	(0.376)	(0.607)	0.000	(0.983)
Children's Services	(0.749)	(0.684)	(0.416)	(0.785)	(2.634)
Economic Growth and Neighbourhood Services	(1.394)	(0.635)	(2.478)	(0.702)	(5.209)
Resources	0.000	(0.040)	(0.162)	(2.136)	(2.338)
Chief Executive Services	0.000	0.000	0.000	(0.052)	(0.052)
Corporate	0.000	0.000	0.000	(0.300)	(0.300)
Total	(2.143)	(1.735)	(3.663)	(3.975)	(11.516)

4.5. The following chart shows the Savings Tracker Summary trend by period:

Chart 19. Savings Tracker Monthly Comparison



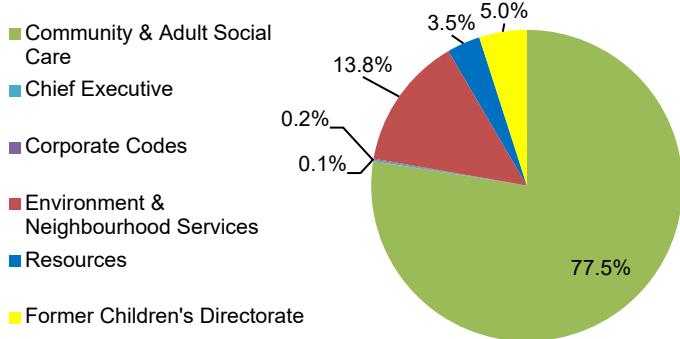
4.6. Any savings not delivered in 2025/26 will cause an immediate pressure on 2026/27, unless mitigated with alternative ongoing savings.

5. Debt Performance

5.1. Total General Fund overdue sundry debt as at the end of Quarter 2 is £6.738m. In addition to this, the General Fund also has £3.285m of current debt and £1.267m of deferred debt which is not yet considered overdue.

Chart 20. Split of General Fund Debt by Directorate and Days Outstanding

Split of General Fund Debt by Directorate



Split of General Fund Debt Balance by Days Outstanding

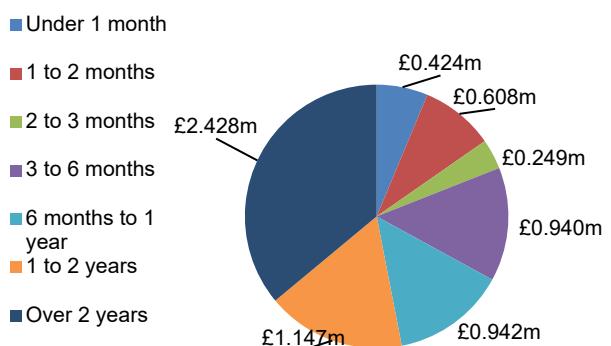


Chart 21. Overdue General Fund Debt Monthly Comparison

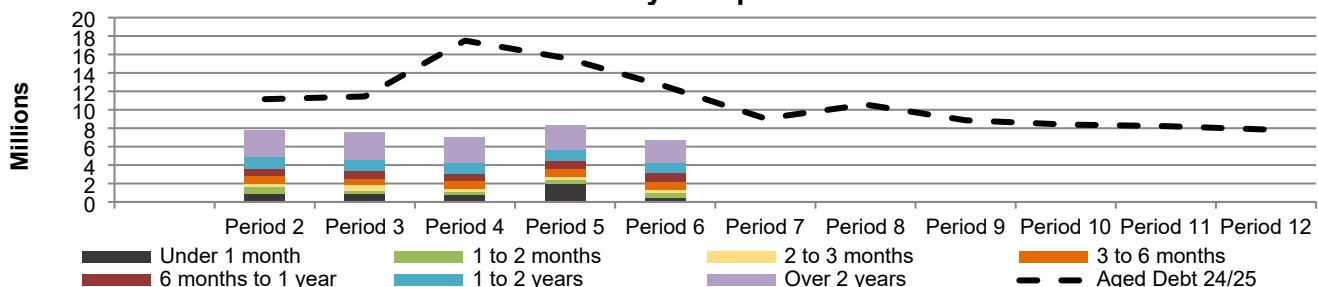
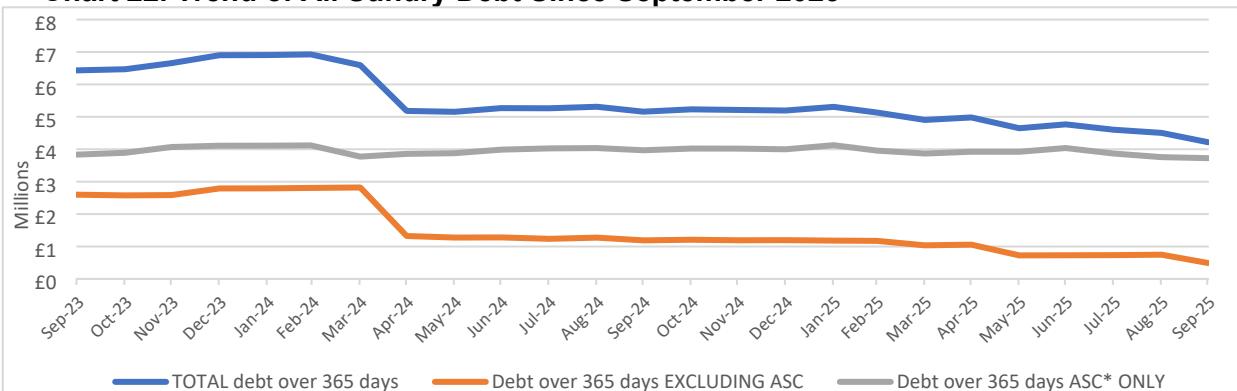


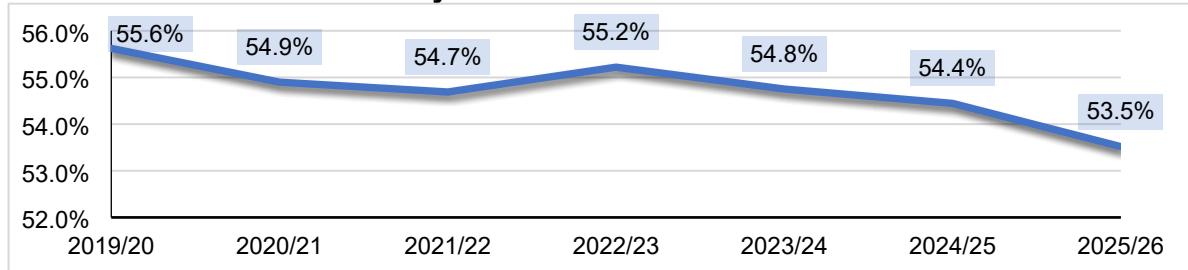
Chart 22. Trend of All Sundry Debt Since September 2023



6. Collection Fund

- 6.1. The following chart shows the Council's collection rate of the total annual debit raised for Council Tax and Non-Domestic (Business) Rates as at the end of Quarter 2.
- 6.2. Council Tax collection rates are behind the collection levels at the same point when compared to pre-Covid-19 pandemic rates (2019/20) and 2024/25 collection rates at the same point last year. This is a similar trend across Berkshire and is likely related to the continuing cost of living crisis. The Quarter 2 collection data for Reading is skewed due to the fact that university student exemptions are not applied until October; therefore, the position is expected to improve in subsequent reporting periods. It should be noted that the Council's discretionary support to eligible customers in receipt of Local Council Tax Support, which had been in place in recent financial years, ceased on 31st March 2025 which may impact on collection rates from 2025/26.

Chart 23. Council Tax Recovery Rates



6.3. The following table shows the collection performance levels for Council Tax across Berkshire:

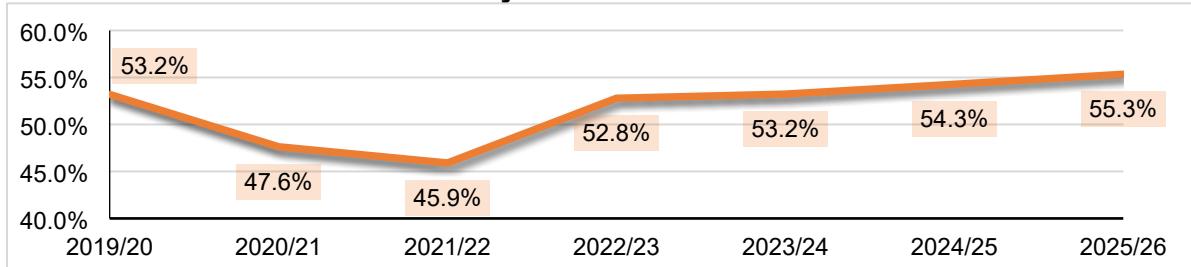
Table 12. Council Tax Collection across Berkshire (Quarter 2)

Council Tax	Comparison to 2024/25	Comparison to 2019/20
Bracknell	↑ 0.65%	↓ 1.68%
Reading	↓ 0.93%	↓ 2.11%
RBWM	↓ 0.53%	↓ 1.57%
Slough	↓ 0.76%	↓ 4.49%
West Berkshire	↓ 0.22%	↓ 1.54%
Wokingham	↓ 0.22%	↓ 1.95%

6.4. For context, a 0.93% decrease in collection is worth approximately £1.423m to the Collection Fund for 2025/26.

6.5. Non-Domestic collection rates are currently ahead of the collection levels at the same point when compared to pre-Covid-19 pandemic rates (2019/20) and 2024/25 collection rates at the same point last year.

Chart 24. Business Rates Recovery Rates



6.6. The following table shows the collection performance levels for Non-Domestic (Business) Rates across Berkshire:

Table 13. Business Rates Collection across Berkshire (Quarter 2)

Business Rates	Comparison to 2024/25	Comparison to 2019/20
Bracknell	↑ 2.02%	↑ 1.29%
Reading	↑ 1.07%	↑ 2.15%
RBWM	↓ 1.34%	↓ 0.86%
Slough	↓ 6.22%	↓ 7.04%
West Berkshire	↓ 1.13%	↓ 1.35%
Wokingham	↓ 2.29%	↓ 1.21%

6.7. For context, a 1.07% increase in collection is worth approximately £1.699m to the Collection Fund for 2025/26.

7. General Fund - Capital Programme

7.1. The General Fund Capital Programme for 2025/26 has an approved budget of £86.500m. The following amendments are requested to be formally approved which would result in a proposed revised Capital Programme budget of £76.754m. These amendments are set out on an individual scheme basis in Appendix 3.

7.2. Against the proposed revised budget of £76.754m there is a positive net variance of £0.211m. This variance relates entirely to the Delivery Fund.

Table 14. General Fund Capital Programme Amendments

General Fund Capital Programme	£m
Revised Approved Budget 2025/26	86.500
Budget Movements Between Schemes	0.000
Additional Budgets added to the Programme - Funded by Grants & Contributions	0.237
Additional Budgets requested to be added to the Programme - Funded by Capital Receipts, Revenue Contributions and Borrowing	0.000
Reduced Budgets - Completed Schemes & Other carry forward budget adjustments	(0.072)
Budgets reprogrammed (to)/from Future Years	(9.911)
Proposed Revised Budget Quarter 2 2025/26	76.754

7.3. Budget movements requested between schemes are set out within Appendix 3.

7.4. A total of £0.237m of additional budget (as set out in Appendix 3) is requested to be formally added into the Capital Programme to be funded by grants and other contributions.

7.5. A total of £0.072m of budget (as set out in Appendix 3) is requested to be removed from the Capital Programme.

7.6. A net total of £9.911m of budgets are requested to be reprogrammed between 2025/26 and future years of the Capital Programme as set out in Appendix 3. This includes:

- £4.670m for grant funded Education schemes, to correctly reflect the timescales of the programme of works;
- £2.000m for the Minster Quarter - Brownfield Land Grant Element scheme, to reflect current expectations of timings for this scheme;
- £0.660m for the Oxford Road Corridor Works scheme;
- £0.607m for the Corporate Solar Programme scheme;
- £1.974m of net re-programming between years across all other schemes.

7.7. A further net total of £2.141m of budgets are requested to be reprogrammed between 2026/27 and future years as set out in Appendix 3. This includes:

- £1.467m for grant funded Education schemes, to correctly reflect the timescales of the programme of works. Further reprogramming of budgets is requested between future years as set out in Appendix 3;
- £0.674m for the Co-located profound and multiple learning disabilities day opportunities and respite facility and sheltered housing flats scheme, following a review of planned works. Further reprogramming of budgets is requested between future years as set out in Appendix 3.

8. Delivery Fund

8.1. Costs of service transformation and the delivery of future ongoing savings are able to be charged to capital (and financed from new capital receipts) due to the introduction of the

Flexible Capital Receipts Regulations. These regulations have been confirmed to have been extended to 31st March 2030.

8.2. There is a total £2.927m Delivery Fund available for 2025/26 (inclusive of 2024/25 approved carry forwards). At Quarter 2, £2.801m of this funding has been allocated out to approved schemes and the forecast spend is £2.716m, which represents a positive net variance of £0.211m. A review of any scheme variances will be undertaken as part of 2025/26 outturn processes with any positive variances rolled forward into 2026/27 or returned to the unallocated contingency as appropriate.

9. Housing Revenue Account – Revenue

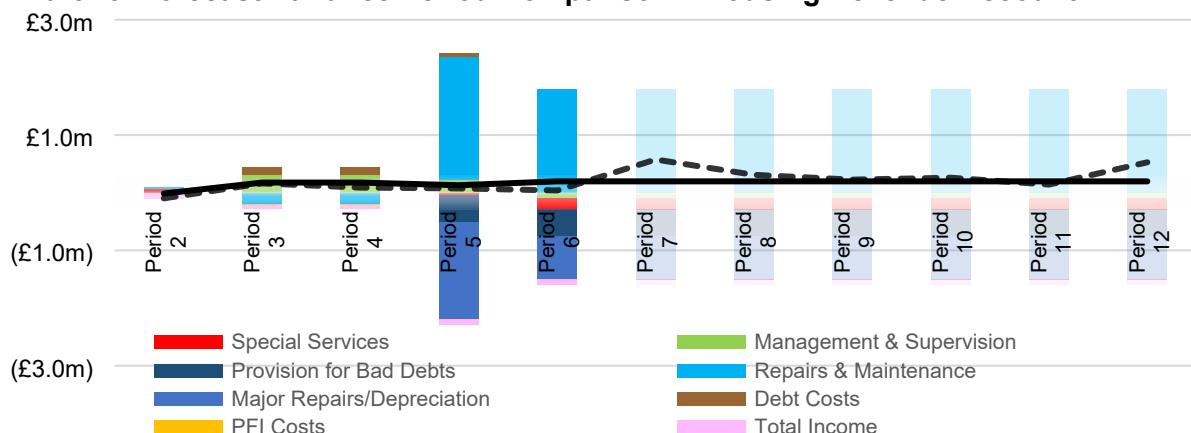
9.1. The approved Housing Revenue Account (HRA) budget assumes a drawdown from HRA reserves of £5.047m. At Quarter 2, the forecast revenue outturn position on the HRA is an adverse net variance to budget of £0.197m. Therefore, a drawdown from the HRA Reserve is forecast of £5.244m rather than the approved budgeted £5.047m drawdown from reserves. The breakdown of the net variance is set out in the following table and explained below.

Table 15. Housing Revenue Account Forecast 2025/26

	Budget	Forecast Outturn	Forecast Variance	Increase/ (decrease) from Quarter 1
	£m	£m	£m	£m
Management & Supervision	12.974	12.879	(0.095)	(0.418)
Special Services	5.025	4.834	(0.191)	(0.191)
Provision for Bad Debts	0.922	0.461	(0.461)	(0.461)
Repairs & Maintenance	8.487	10.281	1.794	1.998
Major Repairs/Depreciation	14.009	13.250	(0.759)	(0.759)
Debt Costs	8.059	8.058	(0.001)	(0.125)
PFI Costs	8.410	8.410	0.000	0.010
HRA Income	(52.839)	(52.929)	(0.090)	(0.033)
Over/(Under) Budget	5.047	5.244	0.197	0.021
Movement to/(from) HRA Reserves	(5.047)	(5.244)	(0.197)	(0.021)

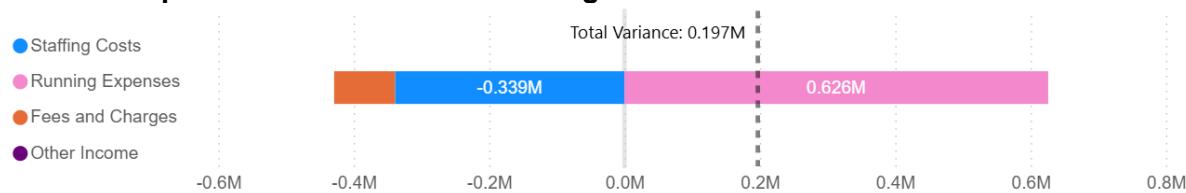
9.2. The following chart summarises the forecast budget variance, split by services within the HRA, for each period to date.

Chart 25. Forecast Variance Period Comparison – Housing Revenue Account



9.3. The following chart summarises the overall forecast budget variance for the Housing Revenue Account by high level category:

Chart 26. Split of Total Variance – Housing Revenue Account



- 9.4. Management and Supervision is forecasting a positive variance of £0.095m. This is primarily due to vacancies offset by the costs associated with the temporary structure at Whitley Wood Community Centre.
- 9.5. Special Services, which include sheltered housing schemes, is forecasting a positive variance of £0.191m due to vacancies.
- 9.6. Provision for Bad Debts is forecasting a positive variance of £0.461m. This aligns with the recorded collection rate and previous year's bad debt provisions.
- 9.7. Repairs & Maintenance is forecasting an adverse variance of £1.794m. This forecast has changed significantly from Quarter 1 as a result of updated data on subcontractor labour spend as well as updated data within the NEC housing system suggesting lower recharges for the Direct Labour Organisation (DLO) works to capital. This is reflected in a lower Major Repairs/Depreciation forecast.
- 9.8. Major Repairs/Depreciation is forecasting a positive variance of £0.759m. This has changed significantly from Quarter 1 following an update to align the forecast with the 2024/25 year-end methodology, which revised the useful economic life to 30 years.
- 9.9. Debt Costs is forecasting a positive variance of £0.001m.
- 9.10. HRA Income is forecasting a positive variance of £0.090m. Dwelling Rents are currently projected to be overachieving on the budget by a total of £0.081m (0.18% more than budget). In addition, there is a forecast adverse variance on Service Charges of £0.005m. Other Income is forecast to overachieve against the budget by £0.079m. Interest on balances is forecast to underachieve by £0.065m due to lower interest rates than expected.

10. Housing Revenue Account - Capital Programme

- 10.1. The HRA Capital Programme for 2025/26 has an approved budget of £80.933m. The following amendments are requested to be formally approved which would result in a proposed revised Capital Programme budget of £64.483m. These amendments are set out on an individual scheme basis in Appendix 4.

Table 16. Housing Revenue Account Capital Programme Amendments

Housing Revenue Account Capital Programme	£m
Revised Approved Budget 2025/26	80.933
Budget Movements Between Schemes	0.000
Additional Budgets added to the Programme - Funded by Grants & Contributions	0.000
Additional Budgets requested to be added to the Programme - Funded by Capital Receipts, Revenue Contributions and Borrowing	0.000
Reduced Budgets - Completed Schemes & Other carry forward budget adjustments	(0.028)
Budgets reprogrammed (to)/from Future Years	(16.422)
Proposed Revised Budget Quarter 2 2025/26	64.483

- 10.2. A total of £0.028m of budgets are requested to be removed from the Capital Programme where schemes are expected to complete below the approved budget.

10.3. A total of £16.422m of budgets are requested to be reprogrammed between 2025/26 and future years of the Capital Programme as set out in Appendix 4. This includes:

- £1.712m for the Major Repairs - Existing Homes Renewal & Zero Carbon Retrofit works scheme following a review of the works planned for 2025/26;
- £4.537m brought forward for the Local Authority new build programme for Older people and vulnerable adults scheme to reflect the revised timescales of works. Further reprogramming of budgets is requested between future years as set out in Appendix 4;
- £0.109m for the Disabled Facilities Grants scheme and;
- £19.138m for the New Build & Acquisitions – Phase 2 – 4 scheme. Further reprogramming of budgets is requested between future years as set out in Appendix 4.

11. Council Plan Performance

Summary

11.1. This section of the Performance Report sets out progress against the Performance Measures and Projects included in the Council Plan “Investing in Reading’s Future.”

11.2. The Council Plan sets out the Council’s vision “To help Reading realise its potential and to ensure that everyone who lives and works here can share the benefits of its success” and five priorities of:

- Promote more equal communities in Reading
- Secure Reading’s economic and cultural success
- Deliver a sustainable and healthy environment and reduce Reading’s carbon footprint
- Safeguard and support the health and wellbeing of Reading’s adults and children
- Ensure Reading Borough Council is fit for the future

11.3. These themes are supported by the strong Foundations of effective service delivery, improvement and transformation needed to ensure the effective delivery of the ambitious programme set out in the Council Plan.

11.4. The new Council Plan, agreed in March 2025, includes 30 KPIs and 51 projects which underpin delivery of the Council’s vision and priorities. Of the 30 KPIs, 13 are annual measures.

11.5. The full list of Performance KPIs monitored in year is attached at Appendix 5 and Projects as Appendix 6.

11.6. The table below provides a summary of the status of the KPIs and projects at the end of the second quarter of 2025/26.

Table 17. Performance Overview

What	Status %				
	Red	Amber	Green	Complete	Outstanding
Key Measures	24	24	47	N/A	5
Key Projects	4	31	63	2	0

Council Plan KPIs

11.7. The KPIs are rated as follows:

- Green – at or above target
- Amber – within 10% of the target
- Red – 10% or more off target

11.8. The following table shows performance against the target (red/amber/green) for the 17 measures reported in year for 2025/26, compared to previous quarters.

Table 18. Summary of Performance against target KPIs

Status	2024/25			2025/26		
	Q2	Q3	Q4	Q1	Q2	
	%	%	%	%	%	No.
Green	26	35	42	53	47	8
Amber	30	22	19	6	24	4
Red	44	43	39	35	24	4
Outstanding	0	0	0	6	5	1
Total	100	100	100	100	100	17

11.9. The one measure that is outstanding as at Quarter 2 is the Residents contacts handled through self-service channels. Due to the substantial changes and increases to our digital channels over the first two quarters, it is not possible to provide a consistent measure at this stage. This will, however, be reported for Quarter 3.

11.10. Further details are provided in Appendix 5.

Council Plan Projects

11.11. Projects are rated as follows:

- Blue – complete
- Green – on track
- Amber – at risk
- Red – off track

11.12. The following table shows the RAG status for the Council Plan projects:

Table 19. RAG Status of Council Plan Projects and Previous Corporate Plan Projects

Status	2024/25			2025/26		
	Q2	Q3	Q4	Q1	Q2	
	%	%	%	%	%	No.
Blue	0	9	11	0	2	1
Green	65	61	67	63	63	32
Amber	35	28	20	35	31	16
Red	0	2	2	2	4	2
Total	100	100	100	100	100	51

11.13. Further details are provided in Appendix 6.

12. Contribution to Strategic Aims

12.1. Full details of the Council Plan and the projects which will deliver these priorities are published on the [Council's website](#). These priorities and the Council Plan demonstrate how the Council meets its legal obligation to be efficient, effective, and economical.

12.2. Delivery of the Council's budget is essential to ensuring the Council meets its strategic aims and remains financially sustainable going forward.

13. Environmental and Climate Implications

13.1. The Council declared a Climate Emergency at its meeting on 26th February 2019. The Council Plan monitors progress in reducing the carbon footprint of both the Borough and the Council.

13.2. There are no specific environmental and climate implications to report in relation to the recommendations set out in this report.

14. Community Engagement

14.1. Budget-related communications and consultations will continue to be a priority over the next three years as we work to identify savings and efficiencies.

15. Equality Implications

15.1. The equality duty is relevant to the development of the Budget. The specific savings and income proposals included in the budget are subject to consultation and equality impact assessments where required and these are being progressed as appropriate.

16. Other Relevant Considerations

16.1. There are none.

17. Legal Implications

17.1. The Local Government Act 2003 requires that the Authority reviews its Budget throughout the year and takes any action it deems necessary to deal with the situation arising from monitoring. Currently monitoring reports are submitted to Policy Committee quarterly throughout the year.

18. Financial Implications

18.1. The financial implications are set out in the body of this report.

19. Timetable for Implementation

19.1. Not applicable.

20. Background Papers

20.1. There are none.

Appendices

- 1. Summary of the General Fund Budget and Forecast 2025/26**
- 2. Savings Tracker Quarter 2**
- 3. General Fund Capital Programme**
- 4. Housing Revenue Account (HRA) Capital Programme**
- 5. Council Plan Performance Measures Quarter 2**
- 6. Council Plan Projects Quarter 2**

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Appendix 1 - Summary of the General Fund Budget and Forecast 2025/26

Directorate/Service	Approved Budget £'000	Budget Changes £'000	Current Budget £'000	Forecast Actuals £'000	Variance to Budget £'000
Communities & Adult Social Care					
Commissioning, Transformation & Performance	(3,334)	(4,681)	(8,015)	(8,015)	0
Adult Social Care Operations	55,437	5,394	60,831	60,981	150
Safeguarding, Quality & Practice	7,103	750	7,853	7,853	0
Community & Adult Social Care Management	1,670	(82)	1,588	1,588	0
Public Health	0	0	0	0	0
Housing & Communities	3,682	(132)	3,550	3,400	(150)
Communities & Adult Social Care	64,558	1,249	65,807	65,807	0
Children's Services					
Family Help & Safeguarding	47,319	1,850	49,169	54,642	5,473
CS Resources	2,500	293	2,793	2,643	(150)
CS Corporate	1,943	(2,189)	(246)	(231)	15
Education	64,697	46	64,743	64,829	86
Dedicated Schools Grant	(58,749)	0	(58,749)	(58,749)	0
Service Level Agreements	6,716	0	6,716	6,716	0
BFFC Contract Funding	0	(401)	(401)	(401)	0
CS Retained by Council	855	0	855	855	0
Children's Services	65,281	(401)	64,880	70,304	5,424
Economic Growth & Neighbourhood Services					
Planning, Transport & Public Protection	(547)	374	(173)	1,891	2,064
Culture	2,648	381	3,029	2,714	(315)
Environmental & Commercial Services	20,877	(2,243)	18,634	19,321	687
Property & Asset Management	(2,447)	348	(2,099)	(2,079)	20
Management & Sustainability	446	760	1,206	956	(250)
Economic Growth & Neighbourhood Services	20,977	(380)	20,597	22,803	2,206
Resources					
Policy, Change & Customer Services	3,256	370	3,626	3,626	0
Human Resources & Organisational Development	1,969	147	2,116	1,973	(143)
Procurement & Contracts	512	(512)	0	0	0
Finance	4,739	1,092	5,831	5,831	0
Legal & Democratic Services	3,276	164	3,440	3,734	294
Digital & IT	6,430	196	6,626	6,626	0
Resources	20,182	1,457	21,639	21,790	151
Chief Executive Services					
Executive Management Team	911	33	944	919	(25)
Communications	597	37	634	628	(6)
Chief Executive Services	1,508	70	1,578	1,547	(31)
Total Service Expenditure	172,506	1,995	174,501	182,251	7,750
Corporate Budgets					
Capital Financing Costs	17,296	0	17,296	16,233	(1,063)
Contingencies	3,238	0	3,238	2,500	(738)
Other Corporate Budgets	(10,986)	(1,995)	(12,981)	(13,118)	(137)
Movement in Reserves	(3,945)	0	(3,945)	(5,789)	(1,844)
Corporate Budgets	5,603	(1,995)	3,608	(174)	(3,782)
Net Budget Requirement	178,109	0	178,109	182,077	3,968
Financed By:					
Council Tax Income	(126,134)	0	(126,134)	(126,134)	0
Business Rates Local Share	(34,330)	0	(34,330)	(34,330)	0
Section 31 Grant (Business Rates Retention Scheme)	(13,514)	0	(13,514)	(13,514)	0
New Homes Bonus	(812)	0	(812)	(812)	0
Revenue Support Grant	(2,771)	0	(2,771)	(2,771)	0
One-off Collection Fund (Surplus)/Deficit - Council Tax	(408)	0	(408)	(408)	0
One-off Collection Fund (Surplus)/Deficit - Business Rates	(140)	0	(140)	(140)	0
Total Funding	(178,109)	0	(178,109)	(178,109)	0
Over/(Under) Budget	0	0	0	3,968	3,968

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Appendix 2 - Savings Tracker Quarter 2 (2025/26)

Service Area	Description	Red £000s	Amber £000s	Green £000s	Blue £000s	Total £000s
Adult Services Operations	Adult Social Care Provider Payment Efficiency	0	0	600	0	600
Adult Services Operations	Vacancy Factor - Adult Services Operations	0	0	(140)	0	(140)
Adult Social Care Operations	Adult Social Care Placement Budget - Efficiency Opportunities	0	0	(509)	0	(509)
Adult Social Care Operations	Supported Living Efficiency	0	(376)	0	0	(376)
Commissioning, Transformation & Performance	Vacancy Factor - Commissioning, Transformation & Performance	0	0	(85)	0	(85)
Commissioning, Transformation & Performance	Adult Social Care Income Review	0	0	(76)	0	(76)
Community & Adult Social Care Management	Vacancy Factor - Community & Adult Social Care Management	0	0	(57)	0	(57)
Safeguarding, Quality & Practice	Vacancy Factor - Safeguarding, Quality & Practice	0	0	(172)	0	(172)
Housing & Communities	Vacancy Factor - Housing & Communities	0	0	(92)	0	(92)
Housing & Communities	Homelessness Support Services	0	0	(76)	0	(76)
Total Directorate of Communities & Adult Social Care		0	(376)	(607)	0	(983)
Children's Services	Cressingham Childrens Home	0	0	0	(100)	(100)
Children's Services	Increase in-house foster carers	0	(64)	0	0	(64)
Children's Services	Development of Edge of Care	(665)	(305)	0	0	(970)
Children's Services	Primary Mental Health Team Service Reduction	0	0	0	(300)	(300)
Children's Services	School Travel Assistance	0	(214)	0	0	(214)
Children's Services	Family (Early) Help Reductions	0	0	0	(285)	(285)
Children's Services	Service Reductions Business Support /Admin	0	0	(416)	0	(416)
Children's Services	Consolidation of Nurseries	0	(101)	0	0	(101)
Children's Services	Closure of BFIC and re-integrating into the Council	0	0	0	(100)	(100)
Children's Services	BFIC Children's Home	(84)	0	0	0	(84)
Total Children's Services		(749)	(684)	(416)	(785)	(2,634)
Planning, Transportation & Public Protection	Introduction of Moving Traffic Enforcement under TMA Powers	(264)	0	(246)	0	(510)
Planning, Transportation & Public Protection	Increased income from Parking Enforcement	0	0	(160)	0	(160)
Planning, Transportation & Public Protection	Extend Residents Parking permit areas	0	0	(10)	0	(10)
Planning, Transportation & Public Protection	Increase off street parking charges	0	0	(87)	0	(87)
Planning, Transportation & Public Protection	Parking Services Income Review	0	0	(86)	0	(86)
Planning, Transportation & Public Protection	Recovery of reduced parking income due to Covid-19*	(676)	0	0	0	(676)
Planning, Transportation & Public Protection	Discretionary HMO Licensing	(70)	0	0	0	(70)
Planning, Transportation & Public Protection	Increase in charges for pre-planning application and planning fees	(55)	0	0	0	(55)
Planning, Transportation & Public Protection	Proposed Fee Income Reading Festival	0	0	0	(33)	(33)
Planning, Transportation & Public Protection	Concessionary Travel	(97)	0	0	0	(97)
Planning, Transportation & Public Protection	Vacancy Factor - PTPP	0	0	(231)	0	(231)
Planning, Transportation & Public Protection	Coroner Apportionment moving to Pop Base and Contract inflation	0	0	(107)	0	(107)
Planning, Transportation & Public Protection	Rationalisation of Pay & Display Assets, Tariff Changes and Emissions Based Parking	(188)	0	(86)	0	(274)
Planning, Transportation & Public Protection	Cease planning postage to neighbouring consultees	0	0	0	(7)	(7)
Planning, Transportation & Public Protection	PSH Discretionary Licensing Risks	0	0	0	5	5
Planning, Transportation & Public Protection	Fees & Charges - Street Trading Pitches	0	(6)	(6)	0	(12)
Planning, Transportation & Public Protection	Fees & Charges - S106 Monitoring Fees	0	(19)	0	0	(19)
Planning, Transportation & Public Protection	Fees & Charges - Bio Diversity Net Gain Monitoring Fees	0	(12)	0	0	(12)
Planning, Transportation & Public Protection	Fees & Charges - Pavement Café Licenses	0	(19)	0	0	(19)
Planning, Transportation & Public Protection	Bus Lane Enforcement	0	0	0	(10)	(10)
Planning, Transportation & Public Protection	Removal of School Transport Licensing	0	(58)	0	0	(58)
Planning, Transportation & Public Protection	BSIP Bus Services - Ticket Income	0	(74)	0	0	(74)
Culture	Revenue impact on new contract for borough leisure facilities, Leisure Contract Costs Utilities and Indentures	0	0	0	(433)	(433)
Culture	Covid19 income pressure on the Town Hall and recovery plan*	0	0	(50)	0	(50)
Culture	New Directions College	0	0	(36)	0	(36)
Culture	Vacancy Factor - Culture	0	0	(191)	0	(191)
Culture	Efficiency savings within Archaeology & Archives	0	0	(35)	0	(35)
Culture	Improved Commercialisation of South Street Theatre	0	0	(16)	0	(16)
Culture	Reducing the Subsidy to the Hexagon	0	0	(75)	0	(75)
Culture	Town Hall Operations	0	0	(56)	0	(56)
Culture	Reading Museum	0	0	(55)	0	(55)
Environmental & Commercial Services	Purchase of Electric Road Marking Machine	0	0	0	(4)	(4)
Environmental & Commercial Services	Vacancy Factor - Environmental & Commercial Services	0	0	(209)	0	(209)
Environmental & Commercial Services	Streetlighting Efficiency Saving	0	(139)	0	0	(139)
Environmental & Commercial Services	Streetlighting Energy Power Reduction	0	(22)	0	0	(22)
Environmental & Commercial Services	General Fund-HRA Recharge Realignment (Streetscene)	0	0	0	(100)	(100)
Environmental & Commercial Services	Highways Weedkiller Application Efficiencies	0	0	(13)	0	(13)
Environmental & Commercial Services	Behaviour, comm & interventions on waste	0	0	0	14	14
Environmental & Commercial Services	Operational resilience - Recycling & Waste Service	0	(266)	0	0	(266)
Environmental & Commercial Services	Fees & Charges - Highways Road Marking	0	(10)	0	0	(10)
Environmental & Commercial Services	Container Charges	0	(10)	0	0	(10)
Property & Asset Management	Vacancy Factor - Property & Asset Management	0	0	(124)	0	(124)
Property & Asset Management	Acre Business Park	(44)	0	0	0	(44)
Property & Asset Management	Facilities Management Efficiency Savings	0	0	(20)	0	(20)
Property & Asset Management	DfE Funding - Capital Review	0	0	(20)	0	(20)
Property & Asset Management	RTL Dividend	0	0	(500)	0	(500)
Property & Asset Management	Fees & Charges - Property & Asset Management	0	0	(24)	0	(24)
Management & Sustainability	Vacancy Factor - Management & Sustainability	0	0	(35)	0	(35)
Management & Sustainability	Corporate Solar Programme	0	0	0	(141)	(141)
Management & Sustainability	Maximising income from digital advertising (roadside)	0	0	0	7	7
Total Directorate of Economic Growth and Neighbourhood Services		(1,394)	(635)	(2,478)	(702)	(5,209)

Appendix 2 - Savings Tracker Quarter 2 (2025/26)

Service Area	Description	Red £000s	Amber £000s	Green £000s	Blue £000s	Total £000s
Policy, Change & Customer Services	New customer services model	0	(12)	0	(488)	(500)
Policy, Change & Customer Services	Implementation of QGIS	0	0	0	(15)	(15)
Policy, Change & Customer Services	Vacancy Factor - Policy, Change & Customer Services	0	0	0	(172)	(172)
Policy, Change & Customer Services	Corporate Subscriptions Review	0	0	0	(9)	(9)
Policy, Change & Customer Services	VCS Spend	0	0	0	(50)	(50)
Policy, Change & Customer Services	Tackling Inequality Strategy (Place Based Pilots)	0	0	0	(230)	(230)
Policy, Change & Customer Services	Executive Assistants Review	0	0	0	(89)	(89)
Human Resources & Organisational Development	Vacancy Factor - Human Resources & Organisational Development	0	0	0	(96)	(96)
Human Resources & Organisational Development	Traded Services with HR&OD	0	0	0	1	1
Human Resources & Organisational Development	HR & OD Restructure	0	0	0	(50)	(50)
Human Resources & Organisational Development	Defer Leadership & Development Programme for 12 months	0	0	0	(30)	(30)
Human Resources & Organisational Development	Kennet Day Nursery (1)	0	0	0	(104)	(104)
Human Resources & Organisational Development	Kennet Day Nursery (2)	0	0	0	(10)	(10)
Finance	Vacancy Factor - Procurement & Contracts	0	0	0	(17)	(17)
Finance	Procurement & Contracts savings - Resources Directorate	0	(28)	(68)	0	(96)
Finance	Finance Service Review	0	0	0	(318)	(318)
Finance	Vacancy Factor - Finance	0	0	0	(174)	(174)
Finance	Council Tax Leaflet	0	0	0	(8)	(8)
Finance	Court Summons Costs	0	0	0	(150)	(150)
Legal & Democratic Services	Vacancy Factor - Legal & Democratic Services	0	0	(94)	0	(94)
Digital & IT	Vacancy Factor - Digital & IT	0	0	0	(76)	(76)
Digital & IT	DTAC Next Generation Operating Model	0	0	0	(51)	(51)
Total Directorate of Resources		0	(40)	(162)	(2,136)	(2,338)
Communications	Vacancy Factor - Communications	0	0	0	(24)	(24)
Communications	Your Reading Newsletter	0	0	0	(26)	(26)
Total Chief Executive		0	0	0	(52)	(52)
Corporate Budgets	General Fund-HRA Recharge Realignment	0	0	0	(300)	(300)
Total Corporate		0	0	0	(300)	(300)
Grand Total		(2,143)	(1,735)	(3,663)	(3,975)	(11,516)

Appendix 3 - Capital Programme Quarter 2 (2025/26)

Scheme Name	Approved Budget 2025/26 £000	Budget Movements Between Schemes £000	Additional Budgets added to the Programme - Funded by Grants & Contributions £000	Additional Budgets requested to be added to the Programme - Funded by Capital Receipts, £000	Reduced Budgets - Completed Schemes & Other carry forward budget adjustments £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2025/26 £000	Spend to 30 Sept 2025 £000	Forecast Spend £000	Forecast Variance £000	spend vs forecast £000
General Fund											
Community & Social Care Services											
Adult Care and Health Services											
ASC Digital Transformation	166						166	0	166	0	(166)
Co-located profound and multiple learning disabilities day opportunities and respite facility and sheltered housing flats	6,869						6,869	737	6,869	0	(6,132)
Adult Care and Health Services - Sub Total	7,035	0	0	0	0	0	7,035	737	7,035	0	(6,298)
Housing & Communities											
Provision of Gypsy & Traveller Accommodation	0						0	0	0	0	0
Hardening Public Open Spaces to Prevent Illegal Encampments	60						60	12	60	0	(48)
Other Housing Minor Schemes	100						100	0	100	0	(100)
Green Homes Scheme - GF element	40						40	0	40	0	(40)
Disabled Facilities Grants (Private Sector)	1,788						1,788	404	1,788	0	(1,384)
Foster Carer Extensions	529						529	0	529	0	(529)
Private Sector Renewals	323						323	0	323	0	(323)
Housing & Communities - Sub Total	2,840	0	0	0	0	0	2,840	416	2,840	0	(2,424)
Community & Social Care Services - Total	9,875	0	0	0	0	0	9,875	1,153	9,875	0	(8,722)

Appendix 3 - Capital Programme Quarter 2 (2025/26)

Scheme Name	Approved Budget 2025/26 £000	Budget Movements Between Schemes £000	Additional Budgets added to the Programme - Funded by Grants & Contributions £000	Additional Budgets requested to be added to the Programme - Funded by Capital Receipts, £000	Reduced Budgets - Completed Schemes & Other carry forward budget adjustments £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2025/26 £000		Spend to 30 Sept 2025 £000	Forecast Spend £000	Forecast Variance £000	spend vs forecast £000										
							Programme - Funded by Capital Receipts, £000	Revised Budget Quarter 2 2025/26 £000														
Economic Growth and Neighbourhood Services																						
Transportation, Planning & Public Protection																						
Air Quality Monitoring	142							142	14	142	0	(128)										
Active Travel Tranche 2	1,191							1,191	15	1,191	0	(1,176)										
Active Travel Tranche 3	2,069							2,069	0	2,069	0	(2,069)										
Active Travel Tranche 4	50							50	0	50	0	(50)										
Active Travel Tranche 4 extension	50							50	0	50	0	(50)										
Active Travel Tranche 5	207							207	0	207	0	(207)										
Consolidated Active Travel Fund	489							489	0	489	0	(489)										
Berkshire Coroner's Removals	25							25	0	25	0	(25)										
Bus Service Improvement	4,639							4,639	753	4,639	0	(3,886)										
Local Transport Plan Development	2,206							2,206	2	2,206	0	(2,204)										
National Cycle Network Route 422	0							0	0	0	0	0										
Reading West Station	143							143	58	143	0	(85)										
South Reading MRT (Phases 3 & 4)	4							4	(81)	4	0	(85)										
Town Centre Street Trading Infrastructure	70							70	0	70	0	(70)										
Construction of Green Park Station	7							7	1	7	0	(6)										
CIL Local Funds - Community	99							99	0	99	0	(99)										
S106 individual schemes list	780							780	0	780	0	(780)										
Defra Air Quality Grant - Bus Retrofit	0	369						369	0	369	0	(369)										
Defra Air Quality Grant - Go Electric Reading	18							18	0	18	0	(18)										
Electric Vehicle Charging Points	866							866	0	866	0	(866)										
Zero Emission Bus Regional Areas (ZEBRA) grant to RTL	2,725							2,725	0	2,725	0	(2,725)										
Air Quality Grant - AQ sensors awareness & behaviour change	15							15	0	15	0	(15)										
Transport Demand Management Scheme	0							0	0	0	0	0										
Transportation, Planning & Public Protection - Sub Total	15,795	369	0	0	0	0	16,164	762	16,164	0	0	(15,402)										

Appendix 3 - Capital Programme Quarter 2 (2025/26)

Scheme Name	Approved Budget 2025/26 £000	Budget Movements Between Schemes £000	Additional Budgets added to the Programme - Funded by Grants & Contributions £000	Additional Budgets requested to be added to the Programme - Funded by Capital Receipts, £000	Reduced Budgets - Completed Schemes & Other carry forward budget adjustments £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2025/26 £000		Spend to 30 Sept 2025 £000	Forecast Spend £000	Forecast Variance £000	spend vs forecast £000
							Programme - Funded by Capital Receipts, £000	Revised Budget Quarter 2 2025/26 £000				
Culture												
Leisure Centre Enhancement	1,299							1,299	30	1,299	0	(1,269)
Reading Football Club Social Inclusion Unit to SRLC	0							0	0	0	0	0
Levelling Up Delivery Plan - New performance space at the Hexagon Theatre	6,493							6,493	1,710	6,493	0	(4,783)
Levelling Up Delivery Plan - New Reading Library at the Civic Centre	8,705		26					8,731	3,291	8,731	0	(5,440)
Abbey Quarter restoration works	30		26		(72)	46	30	0	30	0	0	(30)
High Street Heritage Action Zone	86						86	0	86	0	0	(86)
Berkshire Record Office - extension of storage space	362						362	0	362	0	0	(362)
New Directions Ways into work	52						52	9	52	0	0	(43)
Shared Prosperity Fund	311	(311)					0	0	0	0	0	0
Whitgift Wood Pavillion	0	311					311	4	311	0	0	(307)
Library Improvement Works (ACE Fund)	405				(155)	250	97	250	0	0	0	(153)
Culture - Sub Total	17,743	0	52	0	(72)	(109)	17,614	5,141	17,614	0	0	(12,473)

Appendix 3 - Capital Programme Quarter 2 (2025/26)

Scheme Name	Approved Budget 2025/26 £000	Budget Movements Between Schemes £000	Additional Budgets added to the Programme - Funded by Grants & Contributions £000	Additional Budgets requested to be added to the Programme - Funded by Capital Receipts, £000	Reduced Budgets - Completed Schemes & Other carry forward budget adjustments £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2025/26 £000		Spend to 30 Sept 2025 £000	Forecast Spend £000	Forecast Variance £000	spend vs forecast £000
							Programme - Funded by Capital Receipts, £000	Revised Budget Quarter 2 2025/26 £000				
Environmental & Commercial Services												
Playground equipment and Refreshment: Boroughwide	372							372	3	372	0	(369)
New Capital Bid - S106 Kenavon Drive Landscape	25							25	0	25	0	(25)
Victoria Rec	15							15	0	15	0	(15)
Thames Path works in Kingsmeadow	154							154	0	154	0	(154)
Restoration of historic eastern wall at Caversham Court Gardens	20							20	5	20	0	(15)
Ecological Works	21							21	0	21	0	(21)
John Rabson skatepark	345							345	296	345	0	(49)
Tree Planting	50				6			56	0	56	0	(56)
Highways Infrastructure Programme	5,806							5,806	1,946	5,806	0	(3,860)
Chestnut Walk Improvements	29							29	1	29	0	(28)
CIL Local Funds - Heritage and Culture	94							94	19	94	0	(75)
CIL Local Funds - Leisure and Play	612					(100)		512	370	512	0	(142)
CIL Local Funds - Transport	1,245					(276)		969	111	969	0	(858)
Highways Signals_Capital Bid	995	(369)						626	229	626	0	(397)
Invest to save energy savings - Street lighting	753							753	132	753	0	(621)
Pedestrian Defined Urban Pocket Gardens	41							41	2	41	0	(39)
Pedestrian handrails	52							52	51	52	0	(1)
Pumping Station Upgrade Scheme (new)	14							14	0	14	0	(14)
Reading Station Subway	10							10	1	10	0	(9)
Car Park Investment Programme (inc P&D, Red Routes & Equipment)	369		7					376	347	376	0	(29)
Network Management Programme	303							303	10	303	0	(293)
Digitised TRO's	300							300	70	300	0	(230)
Eastern Area Access Works	199					(199)		0	0	0	0	0
Local Traffic Management and Road Safety Schemes	551					(425)		126	0	126	0	(126)
Oxford Road Corridor Works	876					(660)		216	0	216	0	(216)
Traffic Management Schools	301	(7)				(200)		94	0	94	0	(94)
Western Area Access Works	128					(128)		0	0	0	0	0
Vehicle Maintenance Workshop	5							5	(39)	5	0	(44)
Replacement Vehicles	506							506	132	506	0	(374)
Environmental & Commercial Services - Sub Total	14,191	(369)	6	0	0	(1,988)	11,840	3,686	11,840	0	(8,154)	

Appendix 3 - Capital Programme Quarter 2 (2025/26)

Scheme Name	Approved Budget 2025/26 £000	Budget Movements Between Schemes £000	Additional Budgets added to the Programme - Funded by Grants & Contributions £000	Additional Budgets requested to be added to the Programme - Funded by Capital Receipts, £000	Reduced Budgets - Completed Schemes & Other carry forward budget adjustments £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2025/26 £000		Spend to 30 Sept 2025 £000	Forecast Spend £000	Forecast Variance £000	Forecast spend vs forecast £000
							Programme - Funded by Capital Receipts, £000	Revised Budget Quarter 2 2025/26 £000				
Property & Asset Management												
The Heights Permanent Site Mitigation	67							67	0	67	0	(67)
Corporate and Community Buildings	735						40	775	337	775	0	(438)
1 Dunsfold Fitout for BFFC Family Contact Centre - Development for Community Use	22							22	0	22	0	(22)
Maintenance & Enhancement of Council Properties	150							150	1	150	0	(149)
Acre Business Park	0							0	0	0	0	0
Property & Asset Management - Sub Total	974	0	0	0	0	40	1,014	338	1,014	0	0	(676)
Management & Sustainability												
Salix Decarbonisation Fund	654							654	47	654	0	(607)
Corporate Solar Programme	1,003						(607)	396	0	396	0	(396)
Management and Sustainability - Sub Total	1,657	0	0	0	0	(607)	1,050	47	1,050	0	0	(1,003)
Economic Growth and Neighbourhood Services Total	50,360	0	58	0	(72)	(2,664)	47,682	9,974	47,682	0	0	(37,708)

Appendix 3 - Capital Programme Quarter 2 (2025/26)

Scheme Name	Approved Budget 2025/26 £000	Budget Movements Between Schemes £000	Additional Budgets added to the Programme -		Reduced Budgets - Completed Schemes & Other carry forward budget adjustments £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2025/26 £000	Spend to 30 Sept 2025 £000	Forecast Spend £000	Forecast Variance £000	spend vs forecast £000
			Programme - Funded by Grants & Contributions £000	Programme - Funded by Capital Receipts, £000							
Resources											
IT Future Operating Model	1,249						1,249	332	1,249	0	(917)
ICT Tech Refresh	954						954	144	954	0	(810)
Cremator Procurement	683	25					708	104	708	0	(604)
Burial Chambers	80	(25)					55	0	55	0	(55)
Additional Burial Space	173					(147)	26	4	26	0	(22)
Cemetery Land Acquisition	430					(430)	0	0	0	0	0
Resources Total	3,569	0	0	0	0	(577)	2,992	584	2,992	0	(2,408)
Economic Growth and Neighbourhood Services (Education Schemes)											
Additional School Places - Contingency	950	(12)				(938)	0	0	0	0	0
DFC	67				179		246	246	246	0	0
SEN Provision - Avenue Centre	44						44	0	44	0	(44)
Asset Management	497						497	0	497	0	(497)
Civitas- Synthetic Sports Pitch	24						24	(4)	24	0	(28)
Crescent Road Playing Field Improvements	121					(121)	0	0	0	0	0
Critical Reactive Contingency: Health and safety (Schools)	609					(309)	300	(2)	300	0	(302)
Fabric Condition Programme	3,045					(758)	2,287	932	2,287	0	(1,355)
Green Park Primary School	60						60	(616)	60	0	(676)
Heating and Electrical Renewal Programme	2,328					(2,291)	37	5	37	0	(32)
Initial Viability work for the Free School at Richfield Avenue	1						1	0	1	0	(1)
Modular Buildings Review	253					(253)	0	9	0	0	9
Pinecroft-Children who have complex health, Cressingham- Community Short Breaks Provision	2						2	0	2	0	(2)
Provision of additional Children's Homes	1,429						1,429	690	1,429	0	(739)
Children's Home for Children with Disabilities	0						0	0	0	0	0
Early Years increase to 30 hours provision	264						264	32	264	0	(232)
Dee Park Regeneration - Housing Infrastructure Fund (school)	827						827	(68)	827	0	(895)
Public Sector Decarbonisation Funds - School Estate Double	289						289	0	289	0	(289)
SCD Units	25						25	0	25	0	(25)
Schools - Fire Risk Assessed remedial Works	210						210	35	210	0	(175)
SEN High Needs provision capital allocations	5,254						5,254	311	5,254	0	(4,943)
The Heights Temporary School	351						351	4	351	0	(347)
Park Lane Primary School Annexe Replacement	538	12					550	7	550	0	(543)
Economic Growth and Neighbourhood Services (Education Schemes) Total	17,191	0	179	0	0	(4,670)	12,700	1,566	12,700	0	(11,134)

Appendix 3 - Capital Programme Quarter 2 (2025/26)

Scheme Name	Approved Budget 2025/26 £000	Budget Movements Between Schemes £000	Additional Budgets added to the Programme - Funded by Grants & Contributions £000	Additional Budgets requested to be added to the Programme - Funded by Capital Receipts, £000	Reduced Budgets - Completed Schemes & Other carry forward budget adjustments £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2025/26 £000		Spend to 30 Sept 2025 £000	Forecast Spend £000	Forecast Variance £000	spend vs forecast £000
							Programme - Funded by Grants & Contributions £000	Revised Budget Quarter 2 2025/26 £000				
Corporate												
Delivery Fund (Pump priming for Transformation projects)	2,927							2,927	113	2,716	(211)	(2,603)
Oracle Shopping Centre capital works	100							100	0	100	0	(100)
Minster Quarter - Brownfield Land Grant Element	2,000						(2,000)	0	0	0	0	0
Minster Quarter	478							478	0	478	0	(478)
Corporate Total	5,505	0	0	0	0	(2,000)	3,505	113	3,294	(211)	(3,181)	
General Fund Total	86,500	0	237	0	(72)	(9,911)	76,754	13,390	76,543	(211)	(63,153)	

Appendix 3 - Capital Programme Quarter 2 2025-26 (Future years)

Appendix 3 - Capital Programme Quarter 2 2025-26 (Future years)

Scheme Name	2026/27				2027/28				2028/29				2029/30				Total Revised Budget 2025/26 to 2029/30 £000
	Approved Budget £000	Budgets reprogrammed (to)/from Previous Year £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2026/27 £000	Approved Budget £000	Budgets reprogrammed (to)/from Previous Year £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2027/28 £000	Approved Budget £000	Budgets reprogrammed (to)/from Previous Year £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2028/29 £000	Approved Budget £000	Budgets reprogrammed (to)/from Previous Year £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2029/30 £000	
Environmental & Commercial Services																	
Playground equipment and Refreshment:	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	372
New Capital Bid - S106 Kenavon Drive Landscape	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	25
Victoria Rec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15
Thames Path works in Kingsmeadow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	154
Restoration of historic eastern wall at Caversham Court Gardens	408	0	408	0	0	0	0	0	0	0	0	0	0	0	0	0	428
Ecological Works	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	21
John Rabson skatepark	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	345
Tree Planting	50	0	50	50	0	0	0	50	50	0	0	50	50	0	0	50	256
Highways Infrastructure Programme	3,052	0	3,052	1,838	0	0	0	1,838	1,838	0	0	1,838	1,838	0	0	1,838	14,372
Chestnut Walk Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	29
CIL Local Funds - Heritage and Culture	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	94
CIL Local Funds - Leisure and Play	0	100	100	0	0	0	0	0	0	0	0	0	0	0	0	0	612
CIL Local Funds - Transport	0	276	276	0	0	0	0	0	0	0	0	0	0	0	0	0	1,245
Highway Signals_Capital Bid	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	626
Invest to save energy savings - Street lighting	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	753
Pedestrian Defined Urban Pocket Gardens	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41
Pedestrian handrails	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	52
Pumping Station Upgrade Scheme (new)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14
Reading Station Subway	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10
Car Park Investment Programme (inc P&D, Red Routes & Equipment)	326	0	326	326	0	0	0	326	326	0	0	326	326	0	0	326	1,680
Network Management Programme	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	303
Digitised TRO's	169	0	169	0	0	0	0	0	0	0	0	0	0	0	0	0	469
Eastern Area Access Works	0	199	199	0	0	0	0	0	0	0	0	0	0	0	0	0	199
Local Traffic Management and Road Safety Schemes	150	425	575	150	0	150	0	150	150	0	0	150	150	0	0	150	1,151
Oxford Road Corridor Works	0	660	660	0	0	0	0	0	0	0	0	0	0	0	0	0	876
Traffic Management Schools	100	200	300	100	0	100	0	100	100	0	0	100	100	0	0	100	694
Western Access Works	0	128	128	0	0	0	0	0	0	0	0	0	0	0	0	0	128
Vehicle Maintenance Workshop	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5
Replacement Vehicles	0	0	0	0	2,991	0	2,991	3,681	3,681	0	0	3,681	677	0	0	677	7,855
Environment & Commercial Services - Sub Total	4,255	1,988	0	6,243	5,455	0	0	5,455	6,145	0	0	6,145	3,141	0	0	3,141	32,824
Property & Asset Management																	
The Heights Permanent Site Mitigation	335	0	335	0	0	0	0	0	0	0	0	0	0	0	0	0	402
Corporate and Community Buildings	816	(40)	776	1,000	0	1,000	0	1,000	1,000	0	0	1,000	1,000	0	0	1,000	4,551
1 Dunsfold Fitout for BFIC Family Contact Centre - Development for Community Use	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22
Maintenance & Enhancement of Council Properties	0	0	0	0	8,650	0	8,650	0	0	0	0	0	0	0	0	0	8,800
Acre Business Park	0	0	0	0	0	0	0	0	596	0	596	0	0	0	0	0	596
Property & Asset Management - Sub Total	1,151	(40)	0	1,111	9,650	0	0	9,650	1,596	0	0	1,596	1,000	0	0	1,000	14,371
Management & Sustainability																	
Salix Decarbonisation Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	654
Corporate Solar Programme	950	607	1,557	0	0	0	0	0	0	0	0	0	0	0	0	0	1,953
Management and Sustainability - Sub Total	950	607	0	1,557	0	0	0	0	0	0	0	0	0	0	0	0	2,607
Economic Growth and Neighbourhood Services To	18,736	2,664	0	21,400	16,402	0	0	16,402	8,958	0	0	8,958	5,122	0	0	5,122	99,564
Resources																	
IT Future Operating Model	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,249
ICT Tech Refresh	171	0	171	680	0	680	555	555	555	640	0	640	640	0	0	640	3,000
Cremator Procurement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	708
Burial Chambers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	55
Additional Burial Space	166	147	313	1,416	0	1,416	1,382	0	1,382	0	0	0	0	0	0	0	3,137
Cemetery Land Acquisition	2,070	430	2,500	0	0	0	0	0	0	0	0	0	0	0	0	0	2,500
Resources Total	2,407	577	0	2,984	2,096	0	0	2,096	1,937	0	0	1,937	640	0	0	640	10,649

Appendix 3 - Capital Programme Quarter 2 2025-26 (Future years)

Scheme Name	Approved Budget 2026/27	Budgets reprogrammed (to)/from Previous Year	Budgets reprogrammed (to)/from Future Years	Revised Budget Quarter 2 2026/27	Approved Budget 2027/28	Budgets reprogrammed (to)/from Previous Year	Budgets reprogrammed (to)/from Future Years	Revised Budget Quarter 2 2027/28	Approved Budget 2028/29	Budgets reprogrammed (to)/from Previous Year	Budgets reprogrammed (to)/from Future Years	Revised Budget Quarter 2 2028/29	Approved Budget 2029/30	Budgets reprogrammed (to)/from Previous Year	Budgets reprogrammed (to)/from Future Years	Revised Budget Quarter 2 2029/30	Total Revised Budget 2025/26 to 2029/30
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Economic Growth and Neighbourhood Services (Education Schemes)																	
Additional School Places - Contingency	350	938		1,288	0	0	0	0	0	0	0	0	0	0	0	0	1,288
D/FC	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	246
SEN Provision - Avenue Centre	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	44
Asset Management	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	497
Civitas: Synthetic Sports Pitch	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	24
Crescent Road Playing Field Improvements	0	121		121	0	0	0	0	0	0	0	0	0	0	0	0	121
Critical Reactive Contingency: Health and safety (Schools)	560	309	(669)	200	0	669	(469)	200	0	469	(269)	200	0	269	0	269	1,169
Fabric Condition Programme	919	758		1,677	1,612	0	0	1,612	1,612	0	0	1,612	0	0	0	0	7,188
Green Park Primary School	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	60
Heating and Electrical Renewal Programme	100	2,291		2,391	0	0	0	0	0	0	0	0	0	0	0	0	2,428
Initial Viability work for the Free School at Richfield Avenue	28	0		28	0	0	0	0	0	0	0	0	0	0	0	0	29
Modular Buildings Review	900	253	(798)	355	0	0	798	798	0	0	0	0	0	0	0	0	1,153
Pinecroft-Children who have complex health, Cressingham- Community Short Breaks Provision	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	2
Provision of additional Children's Homes	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	1,429
Children's Home for Children with Disabilities	1,138	0		1,138	0	0	0	0	0	0	0	0	0	0	0	0	1,138
Early Years increase to 30 hours provision	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	264
Dee Park Regeneration - Housing Infrastructure	6,153	0		6,153	0	0	0	0	0	0	0	0	0	0	0	0	6,980
Public Sector Decarbonisation Funds - School Estate																	
Double Glazing Programme	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	289
SCD Units	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	25
Schools - Fire Risk Assessed remedial Works	163	0		163	0	0	0	0	0	0	0	0	0	0	0	0	373
SEN High Needs provision capital allocations	5,302	0		5,302	0	0	0	0	0	0	0	0	0	0	0	0	10,556
The Heights Temporary School	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	351
Park Lane Primary School Annexe Replacement	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	550
Economic Growth and Neighbourhood Services (Education Schemes) Total	15,613	4,670	(1,467)	18,816	1,612	1,467	(469)	2,610	1,612	469	(269)	1,812	0	269	0	269	36,207
Corporate																	
Delivery Fund (Pump priming for Transformation projects)	1,500	0		1,500	1,500	0	0	1,500	1,500	0	0	1,500	1,500	0	0	1,500	8,927
Oracle Shopping Centre capital works	100	0		100	100	0	0	100	100	0	0	100	100	0	0	100	500
Minster Quarter - Brownfield Land Grant Element	0	2,000		2,000	0	0	0	0	0	0	0	0	0	0	0	0	2,000
Minster Quarter	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0	478
Corporate Total	1,600	2,000	0	3,600	1,600	0	0	1,600	1,600	0	0	1,600	1,600	0	0	1,600	11,905
General Fund Total	41,152	9,911	(2,141)	48,922	23,933	2,141	(880)	25,194	19,084	880	(269)	19,695	8,884	269	0	9,153	179,718

Appendix 4 - Capital Programme Quarter 2 (2025/26)

Scheme Name	Approved Budget 2025/26 £000	Budget Movements Between Schemes £000	Additional Budgets added to the Programme - Funded by Grants & Contributions £000	Programme - Funded by Capital Receipts, Revenue Contributions, £000	Budgets requested to be added to the Programme - Completed Schemes & Other carry forward budget adjustments £000	Reduced Budgets - Budgets reprogrammed (to)/from Future Years £000	Budgets			Forecast Spend £000	Forecast Variance £000	Forecast spend vs forecast £000
							Revised Budget Quarter 2 2025/26 £000	Spend to 30 Sept 2025 £000	Forecast Spend £000			
Housing Revenue Account (HRA)										0	0	
Disabled Facilities Grants	784					(109)	675	0	675	0	(675)	
Housing Management System	27					(27)	0	0	0	0	0	
Major Repairs - Existing Homes Renewal	0						0	0	0	0	0	
Major Repairs - Zero Carbon Retrofit works	0						0	0	0	0	0	
Major Repairs - Existing Homes Renewal & Zero Carbon Retrofit works	13,036					(1,712)	11,324	0	11,324	0	(11,324)	
Acquisitions from Homes for Reading	11,355						11,355	7,045	11,355	0	(4,310)	
Single Homelessness Accommodation Programme (SHAP)	371						371	0	371	0	(371)	
Homes Provided under Local Authority Housing Fund	3,138					(1)	3,137	536	3,137	0	(2,601)	
Local Authority new build programme for Older people and vulnerable adults	17,598	(6,029)				4,537	16,106	3,422	16,106	0	(12,684)	
New Build & Acquisitions - Phase 2 - 4	34,624	6,029				(19,138)	21,515	6,173	21,515	0	(15,342)	
Housing Revenue Account (HRA) Total	80,933	0	0	0	(28)	(16,422)	64,483	17,176	64,483	0	(47,307)	

Appendix 4 - Capital Programme Quarter 2 2025-26 (Future years)

Scheme Name	Approved Budget 2026/27	Budgets reprogrammed (to)/from Previous Year £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2026/27 £000	Approved Budget 2027/28 £000	Budgets reprogrammed (to)/from Previous Year £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2027/28 £000	Approved Budget 2028/29 £000	Budgets reprogrammed (to)/from Previous Year £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2028/29 £000	Approved Budget 2029/30 £000	Budgets reprogrammed (to)/from Previous Year £000	Budgets reprogrammed (to)/from Future Years £000	Revised Budget Quarter 2 2029/30 £000	Total Revised Budget 2025/26 to 2029/30 £000		
	£000	£000	£000	£000		£000	£000	£000		£000	£000	£000		£000	£000	£000			
Housing Revenue Account (HRA)																			
Disabled Facilities Grants	600	109	0	709		600	0	600		600	0	600		600	0	600	3,184		
Housing Management System	0	0	0	0		0	0	0		0	0	0		0	0	0	0		
Major Repairs - Existing Homes Renewal	12,087	0	12,087		7,894	0	0	7,894		9,025	0	9,025		9,025	0	9,025	38,031		
Major Repairs - Zero Carbon Retrofit works	3,500	0	3,500		3,400	0	0	3,400		875	0	875		875	0	875	8,650		
Major Repairs - Existing Homes Renewal & Zero Carbon Retrofit works	8,346	1,712	0	10,058		0	0	0		0	0	0		0	0	0	21,382		
Acquisitions from Homes for Reading	9,450	0	9,450		6,615	0	0	6,615		0	0	0		0	0	0	27,420		
Single Homelessness Accommodation Programme (SHAP)	0	0	0	0		0	0	0		0	0	0		0	0	0	371		
Homes Provided under Local Authority Housing Fund	0	0	0	0		0	0	0		0	0	0		0	0	0	3,137		
Local authority new build programme for Older people and vulnerable adults	500	(4,537)	17,976	13,939		0	(17,976)	18,344	368		18,344	(18,344)		0	0	0	30,413		
New Build & Acquisitions - Phase 2 - 4	3,641	19,138	(5,212)	17,567		487	5,212	5,699		0	0	0		0	0	0	44,781		
Housing Revenue Account (HRA) Total	38,124	16,422	12,764	67,310		18,996	(12,764)	18,344	24,576		28,844	(18,344)		0	10,500	10,500	0	10,500	177,369

Appendix 5: Council Plan Performance Measures Q2 2025/26 Green = at or above target Amber = within 10% of target Red = 10% or more off target

Council Plan Priority	Measure	Units	Target	Actual	Status	Comments
Equal Communities Page 100	Residents quitting smoking (No. as measured four weeks after quitting)	No.	618	182	Red	<p>Q2 data is still incomplete due to a lag in data availability, and the difference between contract year and financial year, and will be updated in Q3. There is usually a two- to three-month delay between when someone quits smoking and when their result appears in our reports. This is because the data can only be confirmed once a person has remained smoke-free for four weeks, and local services need time to verify and record this information accurately.</p> <p>Our stop-smoking contract runs from October to September, while national and local reporting follows the April to March financial year. Because these timeframes do not align, some of the quits achieved later in the contract year are counted in the next financial-year report, which can make current figures look lower than actual progress</p>
Economic and cultural success	Housing repairs (urgent) completed within 2 working days	%	90	73.2%	Red	The performance figures for September remain in line with the previous two months. The Back Office working group continues to focus on correct job management, and a standard operating procedure has now been written, with all back-office staff receiving training and implementing the documented processes from 1-Oct. Adherence to these processes will be monitored to ensure jobs are being raised, varied and completed efficiently and correctly.
Economic and cultural success	Physical visits to Reading Libraries (annual cumulative)	No.	110,000	162,585	Green	Good performance in September, issues and visits are performing well. Year to date (YTD) visits up 7% and YTD issues are up 2%. Issues over Q2 summer are up 6% on last year. Income generating visa service is now supporting well over 2,000 people per month.

Appendix 5: Council Plan Performance Measures Q2 2025/26 **Green** = at or above target **Amber** = within 10% of target **Red** = 10% or more off target

Council Plan Priority	Measure	Units	Target	Actual	Status	Comments
Economic and cultural success	Planning applications for major development decided on time	%	100	100	Green	Local Planning Authorities (LPA's) are at risk of being designated as "underperforming" if targets are not met over the preceding 24 months. The criteria for designation as "underperforming" for major development is less than 60 per cent of an authority's decisions made within the statutory determination period or such extended period as has been agreed in writing with the applicant. With the small number of major applications received a small fluctuation makes a marked change in performance expressed as a %. In this quarter the one major decision issued was within an agreed timescale giving 100% in time.
Economic and cultural success	Participation at our theatres and museums (annual cumulative)	No	111,475	156,800	Green	Visitor numbers across all Cultural venues are buoyant, with increased numbers at Reading Museum Town Hall/ Pantry and South Street. Despite a slightly reduced programme at The Hexagon due to Studio Theatre planning, the venue has retained audience numbers and continued to deliver a busy programme.
Sustainable and Healthy Environment	Missed bins (per 100,000 collections)	No.	80	78.76	Green	The service performance target of 80 (or less) missed bins per 100,000 scheduled collections was met in September, with a performance of 78.76.
Sustainable and Healthy Environment	Household waste recycled or composted	%	51	48.4	Amber	The provisional recycling rate for Q2 2025/26 is 48.4%. This compares to 51.7% last year. It should be noted that the recycling rate includes garden waste and as a result the figure is both seasonal and can be subject to variations year on year. This year we have seen an exceptionally dry summer, and this has affected the amount of green waste presented. There is also growth in overall waste produced. The combination of these factors has resulted in a reduction in recycling rate on the same period as the year before.

Appendix 5: Council Plan Performance Measures Q2 2025/26 Green = at or above target Amber = within 10% of target Red = 10% or more off target

Council Plan Priority	Measure	Units	Target	Actual	Status	Comments
Page 201	Adults and children Children in care living more than 20 miles from Reading	No.	25	38	Red	There are a number of children living at a distance from Reading in stable and loving homes. These children have been matched with their carers and therefore they will not be moving back to within a 20-mile radius. There is a small number of children in this cohort who are yet to be long term matched and we are still seeking loving homes for them in Reading, these decisions are reviewed through care planning meetings, supported by the child's social worker, Independent Reviewing Officer, and panels. Growing local resource through an increase in foster carers and building our own children's residential care homes will increase opportunities for us to keep our children rooted in Reading.
Adults and children	Children placed in external children's homes	No.	30	36	Red	The national and local shortage of foster carer, combined with complexity of need means that more children are living in children's homes. A gold programme is underway to open 3 children's residential homes in Reading in 2026 so that where residential care is the best option for our children, they are living in stable loving homes in Reading. This is in addition to work within our fostering team to increase the number of foster carers locally.
Adults and children	Children Looked After	No.	275	285	Amber	Embedding our Edge of Care service and panels, alongside and effective Family Help Service and work to strengthen our front door, is contributing to maintaining a stable number of children in care.
Adults and children	School places for children and young people with Special Educational Needs and Disability (SEND)	No.	1,065	1,072	Green	School place planning is on track with a consolidation of Additionally Resourced Provision primary places and an additional 20 Additionally Resourced Provision places in secondary schools being made available from Sept 25, maintaining the positive position

Appendix 5: Council Plan Performance Measures Q2 2025/26 **Green** = at or above target **Amber** = within 10% of target **Red** = 10% or more off target

Council Plan Priority	Measure	Units	Target	Actual	Status	Comments
Adults and children	Older People (65+) who were still at home 91 days after discharge from hospital into reablement (%)	%	87	97	Green	Work has progressed to improve the referral pathway with the hospitals and ensure the right patients are referred into reablement. This has resulted in an improvement in people remaining at home after 91 days.
Adults and children	New contacts to the Advice & Wellbeing hub resulting in a successful outcome not requiring an ongoing service (%)	%	87	87	Green	Staff are supporting residents in a proactive manner, signposting residents to voluntary sector and continuing to use a Strength Based Approach which focuses on the positive attributes, abilities and capacities of individuals rather than problems. Annual percentage 87.7
Adults and children	Children and young people between the ages of 14-18, that have been identified that require joint transition planning through SEND/Adult social care to inform care act assessments and support in adult social care (% of total)	%	67	67	Green	Regular multi-agency meetings ensure that children known to Children's Services who are transitioning to Adult Social Care have a coordinated plan agreed by all professionals involved. We are focused on further improvement by developing a preparation for adulthood independence offer for children not eligible for adult social care, who represent most of the Preparing for Adulthood cohort of children. This work will continue in partnership with stakeholders to ensure inclusive and meaningful support.
Fit for the Future	Contracts over £125,000 achieving Social Value (% of total) ¹	%	55	50	Amber	Half of contracts awarded this quarter have included a social value request and offer (as recorded on procurement monitoring tool), however this value is expected to be higher than reported here since legacy projects started before new governance commenced have also included social value offers but data not able to be tracked for reporting. Systems in both design and in place to improve monitoring

¹ Amended wording proposed "Contracts awarded this quarter over £125,000 securing a Social Value (% of total) offer for delivery"

Appendix 5: Council Plan Performance Measures Q2 2025/26 **Green** = at or above target **Amber** = within 10% of target **Red** = 10% or more off target

Council Plan Priority	Measure	Units	Target	Actual	Status	Comments
Fit for the Future	Customer satisfaction with the outcome of contact with the Customer Fulfilment Centre (% satisfied or partially satisfied)	%	90	87	Amber	<p>Despite continued demand pressures, the service has maintained a high level of satisfaction, although slightly below target.</p> <p>We continuously monitor feedback from customers to identify improvements and have recently awarded a contract for a new telephony platform that will offer additional functionality and integration to support customers.</p> <p>Recent enhancements include:</p> <ul style="list-style-type: none"> Improved IVR routing and messaging Improved call back offer during busy periods Launching voice automation for revenue and benefits enquiries Ability to report housing repairs online
Fit for the Future	Resident contacts handled through self-service channels (% of total)	%	50	N/A	N/A	Due to the substantial changes and increases to our digital channels over the first two quarters, it is not possible to provide a consistent measure at this stage. This will, however, be reported for Q3.

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Appendix 6: Council Plan Projects Q2 2025/26

Green = on track, Amber = at risk, Red = off track

Council Plan Priority	Project	Q2	Comments
Equal Communities	Deliver the Education Strategy to reduce education inequality and increase school attendance and attainment for those groups who experience the most disadvantage.	On track	Education partnership Board continue to drive priority areas. Attendance at cluster meetings, networks and RBC led events continues to improve but is still an area for development. School Effectiveness meetings continue to monitor school engagement and impact on outcomes for vulnerable children. This is a greater focus in the new Ofsted Framework.
Equal Communities	Deliver support to help people stop smoking, particularly those working in professions with higher rates of smoking.	At risk	The stop smoking core contract, alongside the enhanced service contract, continues to support our ambition to increase the number of people quitting smoking in Reading. There is a data lag in reporting, as the contract year and financial year differ. Q2 data indicates that 150 smokers have set a quit date, with 51 successfully quitting at four weeks. Complete Q2 figures will be confirmed and updated in Q3.
Page 20 Equal Communities	Develop approaches to ensure that health and wellbeing is considered across all policy areas.	On track	Progress continues in embedding Health in All Policies (HiAP) across the Council. Public Health and The Local Government Association (LGA) facilitated a HiAP session that was delivered to the Senior Leadership Team (SLT) on the 7th of July 2025 and one to Members on 16th September. The Public Health Board reviewed nine cross-directorate HiAP funding applications, provisionally approving projects totalling approximately £400,000. The review process, led by Public Health, applied a robust appraisal framework to assess alignment with statutory duties, health inequalities, and outcome measurement. The Public Health Board agreed on projects to take forward. Project leads have been issued with clear guidance on required revisions before final funding confirmation. The Public Health restructure concluded in Q2 will further enable HiAP implementation across directorates. Leadership commitment is now being demonstrated through governance, funding decisions, and cross-departmental collaboration.
Equal Communities	Deliver the voluntary and community sector compact action plan, including small grants funding.	On track	Voluntary & Community Sector (VCS) Compact action plan delivery is continuing. Refresh of the VCS Compact has commenced, with two VCS engagement sessions held so far. Small Grants Fund (SGF) has launched for 2025/26.
Equal Communities	Develop and deliver our place-based approach to enhance access to education, skills, and training.	On track	Place Based Programme (PBP) delivery of existing projects completed. refresh of PBP actions has taken place and updates are being provided to Social Inclusion Board.
Equal Communities	Provide advice and guidance to residents regarding the cost of living and direct financial support through the Household Support Fund.	On track	Household Support Fund scheme for 2025/26 in place and delivering against objectives. Approx. 1400 households supported through the application element, and £195,000 distributed to local voluntary

Appendix 6: Council Plan Projects Q2 2025/26

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Council Plan Priority	Project	Q2	Comments
			organisations. Work has been completed to distribute the first round of vouchers to Pupil Premium Free School Meal households and Care Leavers. The second round of applications goes live in November, and the second round of vouchers will be issued in December. Following a recent visit from Department of Work and Pensions (DWP), the HSF scheme for Reading has been identified as being 'exemplary'.
Page 206	Support the Community Safety Partnership and facilitate Safer Neighbourhood Forums to reduce crime and antisocial behaviour.	On track	<p>The Community Partnerships Service supported the Community Safety Partnership to undertake its annual Community Safety Survey. 722 residents responded to the survey, which was a 3% decrease on last year's survey (total no 744). 50.4% of respondents stated they thought Reading was a safe place which is a 0.02% decrease compared to last year's survey outcome. The CSP will present a survey action plan to the CSP Executive Group in November 2025.</p> <p>The Autumn term of Safer Neighbourhood Forums began in September, with a wider programme of publicity supporting them.</p> <p>Some significant changes have been made to the information provided on the CSP web pages in relation to anti-social behaviour, unauthorised encampments, and domestic abuse. Further enhancements will include a CSP news section and Safer Neighbourhood Forum page.</p> <p>The Anti-Social Behaviour Team and Safer Public Realm Team led on activity to mark ASB Awareness Week at the beginning of June, which included awareness raising activities in the community and a social media campaign. Social media posts during the week, had a total reach of 59,000.</p>
Equal Communities	Support plans to tackle knife crime, domestic abuse and violence against women and girls.	On track	<p>The Community Partnerships Service is working on behalf of the Violence Against Women and Girls Delivery Group to submit a bid to the Office of the Police and Crime Commissioner (OPCC) Partnership Fund to fund train the trainer costs for self-defence training.</p> <p>Ask for Angela Test Purchasing is a key focus for the plan to tackle Violence Against Women and Girls, and a further round of Test Purchasing Activity took place over the summer.</p>

Appendix 6: Council Plan Projects Q2 2025/26

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Council Plan Priority	Project	Q2	Comments
Page 207			<p>Young Voices led on a walkabout with senior leaders from across the partnership around Prospect Park to raise awareness of safety for young people.</p> <p>The new Knife Crime meeting introduced by Thames Valley Police provides a forum to discuss habitual knife carriers and emerging knife crime themes. Officers from the Council's Community Partnerships Service and Children's Services Youth Justice and Exploitations Teams are in regular attendance.</p> <p>The Community Partnerships Service, led on commissioning a review of the Domestic Abuse Partnership Board to ensure that it is functioning in line with the requirements set out in the Domestic Abuse Act 2021. The DA Board will be working through the recommendations and developing an action plan, which will be reported back by the Council's Community Safety Team to the CSP Executive Group in November 2025.</p> <p>Procurement activity to commission consultants to undertake the CSP's Community Safety and Serious Violence Strategic Needs Assessment and develop the new strategy and plan due to commence at the beginning of 2026. The same approach is being applied to the Domestic Abuse and Safe Accommodation Needs Assessment and development of the related strategy and plan.</p>
Equal Communities	Continue work to prevent and reduce homelessness.	On track	Working with partners, Q2 25-26 has realised 90 successful preventions of homelessness. There was a slight decrease on the number of homeless approaches from Q1(513) and Q2VV, which was 481. Prevention work continues to be impacted by the affordability of our private rented sector.
Economic and cultural success	Through the Local Authority New Build programme, deliver 362 new homes at Dee Park and other sites by December 2028.	On track	Delivery progressing with key sites at Hexham Road, Dwyer Road, and Amethyst Lane. Battle Street Pre Construction Services Agreement has now commenced. Demolition completed at Southcote Lane and diversion works now underway. Brief developed to appoint contractor to undertake the planning application for Dee Park Phase 3.
Economic and cultural success	Complete the acquisition of Homes for Reading housing stock into the Council by the end of 2026 and re-let the homes to households on the Council's Housing Register.	On track	This project is progressing to plan, with efficient and effective cooperation between many Council teams. Of the 101 homes, 52 have now voided of which 37 have been purchased and been relet. Notices to Quit have been served on 48 non-void properties with expired tenancies, with 20 referrals

Appendix 6: Council Plan Projects Q2 2025/26

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Council Plan Priority	Project	Q2	Comments
		Green	to court to far. Work continues to support remaining tenants in finding suitable alternative accommodation.
Economic and cultural success	Increase the number and timeliness of repairs delivered by our Housing Repairs & Property Services teams.	At risk	Improvement plan is ongoing following the audits and grading by the Regulator for Social Housing. Progress has been steady whilst we manage the backlog of repairs and set structure out for the service area. Focus on process, standard operating procedures and tenant engagement will continue in Q3.
Economic and cultural success	Progress an updated Local Plan towards adoption to provide a framework to guide decision making on the planning applications for homes and infrastructure.	On track	Examination in progress. Stage 1 hearings held on 11 and 12 November. Hearing Statements submitted to Inspector.
Economic and cultural success	Introduce the Additional Licensing Scheme in the private rented sector to improve housing conditions for tenants.	At risk	It is anticipated that the Tender application process will go live in July 2025. An amber rating has been given as the tender process is being held up by legal approving the contract and designation.
208 Economic and cultural success	In partnership with other Berkshire councils, facilitate the Connect to Work programme to support residents with long term health conditions into work.	On track	Procurement process is currently underway which is being led by Wokingham as the Accountable Body. Reading is represented on the panel, and it is anticipated that expressions of interest take place in December with the programme running fully from January 2026. Recruitment of a programme manager is underway, and Local Authorities have been asked to identify an integration lead (one day a week) to support the programme. Adult Learning and Skills lead for Reading has been put forward as Reading's Lead.
Economic and cultural success	Work in partnership to secure devolution for Reading and the wider area through a new Mayoral Strategic Authority.	At risk	Significant work has been undertaken to develop an initial proposal for a Mayoral Strategic Authority. This work, including economic analysis, has identified the strong benefits of a Thames Valley devolution area. An Expression of Interest has been developed and will be reported by individual councils for approval (25 November in Reading). In support of this, a Berkshire Devolution Programme Director has been appointed, working closely with colleagues from Oxfordshire and Swindon to develop the detailed plans for a Strategic Authority. The project timescales remain uncertain as Government has not indicated the timeframes for future rounds of devolution. This is the reason for the Amber rating. However, the English Devolution and Community

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Council Plan Priority	Project	Q2	Comments
		Yellow	Empowerment Bill has been introduced into Parliament, which sets the legal basis for expanded devolution by default.
Economic and cultural success Page 209	Deliver a new Civic Centre, including a new Central Library and improved Registrars and Customer provision.	On track	<p>In this quarter the main works has progressed to week 37 of 65-week work programme. The programme has been reviewed, and we are still targeting section 1 (the main entrance) completion on 19th December 2025, the customer service centre will open Monday 22nd December. The works in section 2 including internal refurbishment spaces are also on target. This is subject to decision on the existing fire compartmentation. Good progress has been made this period and MSC completed the screed to the main entrance and most of the raised access flooring on the ground and first floor. Having now allowed sufficient curing time for the screed we can allow high level access equipment in and progress the main entrance internal walls and Mechanical, Electrical and Plumbing (MEP) installation. The façade works are now progressing well following some early challenges, are planned completion date for these works is 10.10.25 when the external works shall resume.</p> <p>The fire compartmentation works within the areas outside of MSC scope will be carried out by an alternate contractor which has been procured directly with RBC. The fire compartmentation design within our scope have been issued early and is now being reviewed with our MEP designer to establish a cost and programme implications. Cartwheeling Boys sculptures fixing method design has been completed by the Structural Engineer and calculations have been provided to MSC. The Cartwheeling boys subframe has been fabricated and installed by MSC, with the final part of the fixing awaiting completion of the Foundry process to be installed near the sculpture's installation date currently forecasted at the end of November.</p>
Economic and cultural success	Improve the technology offer and access to library services funded through the Libraries Improvement Fund.	On track	This is to deliver high quality digital provision to all libraries at the same time as the new Central library is delivered. Now compressed to 10 lots - Of the 10 purchasing lots, lendable on site tablets are complete and live, interactive digital tables, floor projected active games and take home borrowable tablets with data for home use are in process of final install and support, screens for all libraries for event screening and corporate messaging are awaiting delivery, self-service library cabinets are at tender evaluation and book collection lockers for 24/7 service, interactive trolleys that detect books, equipment to support activity sessions and funding for

Appendix 6: Council Plan Projects Q2 2025/26

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Council Plan Priority	Project	Q2	Comments
			audiovisual equipment in new library are still to be purchased but will need the new library to fully deliver. Arts Council England as funder is briefed and has released the second tranche of payment. Purchases remain under budget. There will be significant comms in Q4 as part of trailering the new library in Q1 and highlighting the wider offer across the service, which once everything is in place will be a massive investment in the library offer and support wider corporate outcomes.
Sustainable and Healthy Environment	Deliver the Bus Service Improvement Plan to improve the reliability of bus services by increasing bus priority.	On track	The new A33 Bus Lane (and pedestrian cycle bridge) is due to be completed on 29 October. The bus lane is already in operation, with the new pedestrian bridge due to open shortly. The Council contracted Bus Services (Buzz 9 and 18) are continuing to perform well, with an annual passenger increase of 22%. Officers are continuing to develop new schemes with the funding awarded by Government in 2025, in co-ordination with the EP Board Members.
Page 28	Deliver funded active travel schemes to encourage more walking and cycling.	At risk	The Council has recently developed and published a suite of guided "Wellbeing Walks" to encourage and support active travel for leisure / recreation. These were launched alongside updates to the Councils website to improve accessibility to information about Walking within the town, with an updated cycling page to follow shortly. The Castle Hill/Bath Road cycle lane is progressing, and we have recently undertaken traffic surveys to support the final design assessment & proposals. This indicator has been identified as "amber" whilst the design is being progressed and until such time as both Member and Active Travel England design feedback has been resolved. Expected to provide a further update to members in November 2025.
Sustainable and Healthy Environment	Complete the £8 million programme of work to improve residential roads and pavements.	On track	Works have been completed for the current year. 27.29km of Residential Unclassified Roads have been surfaced in Micro Asphalt as part of the current surfacing programme.
Sustainable and Healthy Environment	Adopt the Town Centre Public Realm Strategy to secure funding and improvements to Reading's streets and open spaces.	On track	Still to be adopted in year but delayed due to priority given to Local Plan hearing and amendments required following concerns from Reading Buses. Moved from Nov 2025 to March 2026 Strategic Environment, Planning and Transport Committee for adoption.

Appendix 6: Council Plan Projects Q2 2025/26

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Council Plan Priority	Project	Q2	Comments
Sustainable and Healthy Environment	Develop electric vehicle charging infrastructure, including charging points, to move away from fossil-fuelled vehicles.	On track	Local Electric Vehicle Infrastructure (LEVI) tender progressing to timescale set out in project plan. Evaluation completed.
Sustainable and Healthy Environment	Reduce carbon emissions from our buildings, operations, and fleet, including investing in solar panels, energy efficiency in our buildings, and electric vehicles.	Off track	Emission results for the 2024/25 year are now available. They show that a modest decrease in emissions but with only one year left to achieve our target of 85% it is now unlikely to be achieved. The Council's carbon footprint (gross corporate emissions) has decreased by 2.7% compared to the previous year, or by 143 tCO2. This equates to a decrease of 73.4% in absolute gross corporate emissions compared to the 2008/9 baseline. To achieve the 2025 target set in the Carbon Plan of 85%, a further 11.6% reduction in the carbon footprint is therefore required in the 25/26 year against the baseline or a 45% reduction against the current emissions. It is now likely that the reportable emissions reductions for the 2025/26 year will be in the 75-80% reduction range against the target of 85% set out in the 2020 to 2025 carbon plan. A further reduction of >1% is based projects in train, but a further reduction of >10% is unlikely.
Page 211	Work with partners to deliver the Climate Strategy for 2025 to 2030 to achieve a net zero Reading resilient to climate change.	At risk	Data released for the 2023 year in July 2025. This was 427kt - 57% below the baseline year of 2005. This is above the trajectory to zero but in line with the average emissions reductions over the period. New 2025 to 2030 strategy was prepared by the partnership working with RBC and this seeks to align the net zero target with the Climate Change Committee advice to the government set out in the seventh carbon budget which suggests that with ambitious policies emissions could be reduced by ~90% from 1990 by 2040. A reduction of ~75% below 1990 by 2030 could be achieved if policy delivery is ratcheted up, especially around heat pumps and EVs. The declaration and strategy had an ambition of net zero, but success relied upon the government framework, and this was not sufficient to allow a 2030 target to be met.
Sustainable and Healthy Environment	Dispose of property and land that no longer contribute towards the Council's objectives to invest in assets and service transformation.	On track	Asset disposal policy being discussed with Leadership, seeking approval before going to Policy Committee. Officers taking proposals to Policy Committee for 2 investment properties - Friars and Adelphi.
Sustainable and Healthy Environment	Introduce changes to the waste collection service in line with the 'Simpler Recycling' legislation.	At risk	Report presented to Policy Committee July 21st, report set out consideration of the Council's options to meet the legislative obligations of simpler recycling and will seek approval to consider in further detail the preferred options, with a further detailed timeline and financial implications paper to be presented to Policy Committee, Autumn 2025.

Appendix 6: Council Plan Projects Q2 2025/26

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Council Plan Priority	Project	Q2	Comments
		Amber	<p>As with a few councils across the country, including several in Berkshire, full compliance by April 2026 is challenging for a few practical and procurement reasons. The need to secure vehicles and the long lead times expected for delivery. Whilst the project itself is on track, it remains amber as we are unlikely to deliver the project in line with government timelines. Further report to Policy Committee scheduled for December 2025.</p>
Adults and children Page 212	Deliver Family Hubs to bring together a range of support services in one place, reducing escalation of need and the number of children entering care.	On track	<p>Since the previous update, substantial progress has been made by the Strategic Lead and the Change Delivery Team, who are now aligned to support the programme. A formal programme plan is in place, with 37% of identified tasks and 25% of key milestones completed to date.</p> <p>We have actively engaged with a range of partners to scope the services that will be offered through the Family Hubs. This collaborative approach is designed to ensure a holistic support offer that promotes improved life outcomes for children and families. The design of four Family Hubs has been completed in draft and received Directorate Management Team approval on 13th October 25. Corporate Management Team and Member approval is scheduled for the end of October. Launch of the Family Hubs physical and digital offer is scheduled for the w/c 16th March 2026.</p>
Adults and children	Redesign and commission an integrated 0-19 child health programme.	At risk	<p>Since contract commencement, the provider has faced ongoing recruitment and delivery challenges.</p> <p>Berkshire Healthcare NHS Foundation Trust has submitted a remodelling proposal for Reading, which includes a reduction of 9.8 Working Time Equivalent health visiting posts and associated service changes to remain within the £2.882m financial envelope. As of 29 September 2025, the provider reported an estimated £500,000 funding pressure (to be verified) to deliver the original specification and staffing model. While additional funding could improve performance against key indicators, it would not fully address national workforce recruitment challenges in health visiting.</p> <p>An options appraisal was completed and approved by the Public Health Leadership Team on 22 September 2025, to inform decisions on future commissioning arrangements for the service across Reading and West Berkshire.</p> <p>Reading Borough Council will act as the host authority, leading a joint tender for a single contract and specification covering both local authorities.</p>

Council Plan Priority	Project	Q2	Comments
Page 213	Adults and children Increase the number of Brighter Futures for Children/Council foster carers to increase the proportion of children in care living in Reading wherever possible	At Risk	We are actively working on establishing our Therapeutic Foster Care Scheme. Profiles have been drawn up for the cohort of Children Looked After (CLA) for whom placements are sought - total 10 profiles in expectation of recruiting a minimum of 4 carers by the end of the year. Plan to proactively seek carers from therapeutic or emotional health services / those with schools or education backgrounds / those with experience of working within the criminal justice system. A press release and media coverage is planned for November, and dates are agreed for information meetings in December, January, and February. General recruitment for mainstream Foster Carers is also ongoing, supported via Southeast Sector Led Improvement Partner (SESLIP), responses have been limited across the Southeast. As of 16/10 RBC Fostering Team has 4 assessments ongoing and are waiting receipt of one application. 2 new FCs have been approved since April and both have CLA placed with them; however it is expected that a total of 4 or 5 mainstream carers (who offer placements) will resign or retire from fostering this year (Please note: of these carers one is now providing permanence to their previous foster child under the auspices of a Special Guardianship Order while another is continuing to offer a Staying Put arrangement to the Young People who they previously fostered who has achieved the age of 18).
Adults and children	Deliver an in-house assessment home and children's homes in Reading to ensure that children in residential care remain living in Reading wherever possible.	Off track	<p>The project is currently reporting RED, primarily due to ongoing financial and scheduling risks. However, it is important to note that considerable progress has been made in recent weeks:</p> <ul style="list-style-type: none"> • Contracts have been awarded, with construction scheduled to commence by the end of October. • Recruitment has been successful, with two Registered Managers appointed. <p>The project team continues to actively monitor all risks, with particular attention to the following high-priority concerns:</p> <ul style="list-style-type: none"> • Insufficient contingency budget, which may limit the ability to absorb unforeseen costs. • Potential delays in opening the homes early, which could impact the overall delivery timeline. <p>Despite these challenges, the team remains focused on mitigation strategies and is working diligently to bring the project back on track.</p>

Appendix 6: Council Plan Projects Q2 2025/26

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Council Plan Priority	Project	Q2	Comments
Adults and children	Enable more children with special educational needs and disabilities to be educated in mainstream schools and deliver new special school places	On track	<p>We are progressing several strategic initiatives to meet the needs of children and young people with Special Education Needs and Disabilities (SEND) in Reading. Our SEND school build programme is now entering Royal Institute of British Architects Stage 3, and we are assessing the viability of additional smaller-scale projects across the borough to support long-term sufficiency.</p> <p>Our sufficiency planning is helping us understand current and projected demand, enabling targeted investment and provision planning.</p> <p>To support inclusion in mainstream settings, we are working closely with colleagues in Assets and NHS partners to develop accessible therapeutic models. These models will help ensure that children with Education Health and Care Plans (EHCPs) and SEND needs can be effectively supported within mainstream environments.</p>
Page 214 Adults and children	Promote independent and active travel to school for children with special educational needs and disabilities.	At risk	<p>We are embedding independent travel training into our post-16 travel policy to encourage the use of public transport or other alternatives to commissioned transport services. This approach aims to develop lifelong travel skills that support independence into adulthood.</p> <p>We are working with schools to strengthen the integration of independent travel training within the PSHE curriculum, particularly for pupils with an Education Health and Care Plan (EHCP).</p> <p>Following the departure of our dedicated travel trainer, we are actively exploring alternative delivery models to ensure continuity of provision. We also facilitating a greater reach through the updated annual review paperwork and outcomes toolkit to support the wider system to develop and promote independence.</p>

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Council Plan Priority	Project	Q2	Comments
Adults and children	Implement technology systems to support people to live independently at home.	At risk	Following the liquidation of NRS Healthcare on 31 July 2025, Reading ASC swiftly reorganised its Technology Enabled Care (TEC) offer to ensure uninterrupted support. Urgent referrals, hospital discharges, and safeguarding vulnerable residents were prioritised. Livity Life was appointed as the new TEC provider, maintaining continuity of telecare services. RBC is actively building on its current offer and is in ongoing conversations to obtain relevant data to monitor service delivery and outcomes. The council continues to work with sector bodies to ensure ethical transitions, with a focus on resilience, independence, and wellbeing for residents. The current AMBER rating is due to the liquidation of NRS, with interim measures still in place to support the service. These are necessary until operations return to full capacity and the service is fully restored.
Adults and children	Deliver four new adult social care services to support people with complex needs, replacing existing buildings that are no longer fit for purpose.	On track	All three projects are progressing well and remain on schedule. Amethyst is on track for completion in August 2026, with most planning conditions resolved, groundworks finalised, and project within approved budget. Risks are being actively managed, and Health & Safety continues to be closely monitored. Preparatory work for Battle is progressing, with key consultant appointments completed, legal reviews finalised, and site work scheduled to start in spring 2026. Hexham continues to meet its milestones, with legal agreements and approvals advancing, and the final lease expected shortly, keeping the overall programme on track.
Adults and children	Support children into adulthood, promoting greater independence and confidence.	On track	Our well-established Preparing for Adulthood (PFA) working group includes representatives from Children's Services, Adult Social Care, Health, the Voluntary Sector, and Parent Carers. This group acts as a strategic forum to shape our approach to PFA and has already yielded excellent results. Regular multi-agency meetings ensure that children known to Children's Services who are transitioning to Adult Social Care have a coordinated plan agreed by all professionals involved. We are also focused on developing a universal offer for children not eligible for adult social care, who represent the majority of the PFA cohort. This work will continue in partnership with stakeholders to ensure inclusive and meaningful support.

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Council Plan Priority	Project	Q2	Comments
Adults and children	Implement our improved carers offer, including employing a dedicated carers lead and delivering carers' breaks.	On track	<p>The results of the Carers Survey are being collated and included feedback from focus groups and survey tools. The survey and the outcome of the Care Quality Commission Assurance visit identified continued areas of concern for carers. Both outcomes will inform priorities for the coming year.</p> <ul style="list-style-type: none"> • The contract for the Information & Advice Service for Carers has been awarded to the Carers Partnership (Communicare, Age UK and Mencap) and will go live from 1st November 2025. • The Carers Break tender will go live next month.
Adults and children	Improve the process of discharge from hospital to prevent patients being readmitted.	On track	Winter Resilience workshop was held in early October to prepare for the winter pressure. In addition, Reading ASC have developed and implemented the Winter Plan, this has been approved by Directorate Leadership Team and Reading Integration Board.
Adults and children	Refresh the existing Home Care and Supported Living Framework to ensure sufficient supply.	On track	The Supported Living Tender went was published at the end of September and is due to close at the end of October. This is on track for award in January. The Home Care tender is delayed but due to get published this week. This will delay award to end of January but is still on track for contract start on the 1st of April 2026.
216 Fit for the Future	Continue to develop our new IT systems in customer services and housing repairs to enable residents to resolve queries at a time that suits them.	At risk	Additional forms built on the Salesforce platform, which is integrated with the phone and payment system. Further work is ongoing to release more functionality for residents to access services online. The recent award of the unified communications contract for the Zoom product will further enhance the accessibility of services through the implementation of the web bot and integrated voice automation.
Fit for the Future	Review the content of our website to ensure it is accessible and to drive customer self-service.	On track	<p>Following the success of two previous in-depth content reviews, the Web Content team recently partnered with the Community Safety Partnership (CSP) to improve how residents access information on the council website. Through workshops, user research, service feedback, and daily collaboration, we mapped out the journeys and identified areas for improvement in content, navigation, structure, and accessibility. Weekly Figma sessions and Subject Matter Expert reviews ensured that changes were grounded in evidence and aligned with resident needs.</p> <p>The CSP team organised a service-wide workshop to gather additional feedback and insights into the journey's pain points, which was great for extended engagement.</p>

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Council Plan Priority	Project	Q2	Comments
Fit for the Future	Ensure continued good services for children by bringing Brighter Futures for Children (children's services) back into the Council.	Complete	BFfC staff have successfully transitioned to RBC. The transition date was 1st Oct. any remaining risks and issues are in hand and monitored.
Fit for the Future	Implement an improved telephone system that routes customers effectively and improves the customer data we collect to help continually improve how we support residents.	At risk	Strong oversight and management support has resulted in a further decrease of risks and issues this month. We are on track to award the contract in October. With the knowledge that we will be able to extend the current services, we can now create a detailed mobilisation plan, which negates key activities over the holiday period, therefore reducing pressure on staff and enabling a smoother, less risky implementation. With budgets currently being agreed it is anticipated the RAG will be shortly moving to green.
Fit for the Future	Deliver and embed our social care customer front door through enhancing our systems and working with the voluntary sector in providing support.	On track	All projects across the programme are progressing well and remain on track. Within the Voluntary Community Sector, both the Local Connector and Community Activator Services are advancing positively. Team vacancies have been filled, new Mosaic forms and the Occupational Therapy referral pathway extension are in place, and the Community Activator Request for Quotation Lite tender has been completed, with bids evaluated and standstill period underway. Working for People project is making satisfactory progress, with workflows mapped and preparations continuing for the Mosaic v24.1 upgrade. The Mosaic Provider Portal live pilot has been successfully deployed and is progressing to the first payment cycle with hyper care support.
Fit for the Future	Deliver additional cemetery space to continue offering a burial service to all residents	On track	Engagement with allotment holders completed and procurement / appointment of planning consultant completed ensuring that the plan remains on schedule.
Fit for the Future	Introduce remote technology for staff who work outside of the office to improve efficiency.	On track	The team is currently testing different mobile devices that would work for the field teams. Microsoft has offered trial devices via its partners which is being trialled in Planning, Licensing, Building Control and Housing.
Fit for the Future	Introduce artificial intelligence to improve customer service and reduce administration costs in line with our strategy.	On track	Magic Notes implementation underway. Copilot Legal adoption programme completed. Next steps - AI strategy review and guidance for schools.
Fit for the Future	Deliver the new Social Value Policy with our partners to increase the number of contracts delivering spend and social value in the local area.	At risk	Dedicated team now in place and project planning underway to define strategy to improve model including training, toolkits, governance, and monitoring. Resourcing challenges earlier in the project have led to a revised delivery timeline, with completion now anticipated to be 6 to 12 months later than initially planned.

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Council Plan Priority	Project	Q2	Comments
Fit for the Future	Deliver our three-year Medium Term Financial Strategy and the financial savings within to ensure that the Council lives within its means.	At risk	The 2025/26 Quarter 2 financial monitoring position is a forecast adverse variance of £3.968m, a reduction of £0.212m from the position reported at Quarter 1. While the Council has sufficient reserves to cover this adverse variance, action is being taken with the aim of bringing the figure down by the end of the financial year.
Fit for the Future	Ensure recruitment and selection processes support the Council's move towards ensuring the workforce represents the demographics of the Borough.	At risk	Recruitment in Q2 again made progress, with 32% of new hires identifying as Global Majority (GM) which is collective term for people of African, Asian, Latin American, or mixed-heritage backgrounds who make up 85% of the global population. The GM new staff increased the overall GM proportion of the workforce to 19.5%. Whilst GM starters outpaced GM leavers by 36% during the quarter the overall turnover rate for GM staff remains higher than for white staff. Work continues to understand and address this difference and is why this project is rated at risk.
Fit for the Future	Continue to develop talent within the Council, including through our apprentice and work experience programmes.	On track	The end of Q2 saw us achieve a 2.4% of headcount that were new apprentices, exceeding target. In addition, 60 existing employees were actively participating in apprenticeship programmes to gain further professional qualifications.

Policy Committee

17 December 2025



Reading
Borough Council
Working better with you

Title	Medium Term Financial Strategy 2026/27-2028/29 Update
Purpose of the report	To note the report for information
Report status	Public report
Report author	Darren Carter, Director of Finance
Lead Councillor	Councillor Terry, Leader of the Council
Corporate priority	Our Foundations
Recommendations	<p>That Policy Committee note the Medium Term Financial Strategy (MTFS) Update as set out in the body of this report and the associated appendices, including:</p> <ol style="list-style-type: none"> 1. The Council's General Fund Budget Requirement of £210.975m for 2026/27 and an assumed increase in the band D Council Tax for the Council of 2.99% plus an additional 2.00% Adult Social Care precept, or £105.66 per annum representing a band D Council Tax of £2,223.18 per annum; 2. The current forecast budget gap of £4.449m for 2026/27 which will need to be addressed in order to present a balanced budget to Council in February 2026; 3. The proposed savings, efficiencies and increased income, fees and charges for 2026/27 of £8.649m already included within the current gap position as shown in Appendix 2; 4. The overall savings, efficiencies and increased income, fees and charges currently proposed within the MTFS of £13.792m; 5. The Housing Revenue Account budget for 2026/27 to 2028/29 as set out in Appendix 3, which includes an assumed increase in social dwelling rents of 4.8% for 2026/27; 6. The General Fund and Housing Revenue Account Capital Programmes as set out in Appendices 4 and 5 respectively.

1. Executive Summary

1.1 This report provides an update on the development of the Council's Medium Term Financial Strategy (MTFS) 2026/27-2028/29. It includes the forecast impact of announcements made in the Government's Autumn Budget 2025 and the Local Government Finance Policy Statement 2026 to 2027, but at the time of writing, the Provisional Local Government Finance Settlement has not been announced.

The National Context

1.2 The Local Government sector's financial challenges are rooted in a sustained period of austerity combined with rapid increases in cost and demand pressures. While funding levels have increased in recent years, the cuts of the 2010s are far from fully reversed.

Core Spending Power remains 16.4% lower in real terms in 2025/26 compared to 2010/11.

- 1.3 Cost and demand pressures are unrelenting, particularly in key demand-led services such as Children's Social Care, Adult Social Care, Homelessness and Home-to-School Transport for children with SEND. Despite budget growth in these areas in recent years, annual spending pressures continually outstrip budgeted resources, leading to annual overspends:
 - In the three years from 2022/23 to 2024/25, the sector had annual average overspends of 5.2% of budgeted spend for Adult Social Care, 14.2% for Children's Social Care, 25.1% for Home-to-School Transport for children with Special Educational Needs and Disabilities (SEND), and 51.9% for Homelessness.
 - Councils' budget data for 2025/26 shows large increases in annual planned spend: 9.0% for Adult Social Care, 10.1% for Children's Social Care, and 38.8% for Homelessness. Nonetheless, data for councils' Quarter 1 spending across these three services indicates that their 2025/26 budgets are already under pressure and that there is clear potential for overspends in line with the previous three years in these services.
- 1.4 Overall, this demonstrates that demand and cost increases are outstripping councils' available resources. Consequently, councils have been balancing their books through measures such as in-year cuts to discretionary service areas and/or drawing on their diminishing reserves. This is not financially sustainable.
- 1.5 It also means that council services are becoming concentrated on a residual body of demand-led services. This reduces councils' service offer to local residents, and limits councils' ability to invest in cost-saving preventative measures or tackle shared local and national objectives such as house building or economic growth.
- 1.6 The financial implications of the sector's financial pressures are clearly demonstrated by the fact that 29 councils required Exceptional Financial Support (EFS) in 2025/26 to set a balanced general fund budget. Almost all of these councils (26) had social care responsibilities. This meant that the sector entered 2025/26 with 1 in 6 social care councils (17%) dependent on a significant one-off relaxation of the financial framework – an agreement that revenue spend could be capitalised and/or council tax rates can be set above the referendum threshold – to set a balanced budget.
- 1.7 The 29 councils with EFS in 2025/26 represent a significant increase on the number (18) in 2024/25. Overall, since its introduction in 2020/21, 42 local authorities have accessed over £5.0 billion through EFS, with many councils using the scheme over multiple years. Arguably this arrangement is no longer exceptional. Instead, the use of borrowing or the application of capital receipts have become normalised as a means for funding councils' day-to-day spend on vital services such as Children's Social Care. This is clearly not a sustainable financial model.
- 1.8 In addition to these general fund pressures, many councils face growing deficits on the high-needs block of their Dedicated Schools Grants (DSG). The LGA has estimated that the sector's deficit will reach £5.0 billion in 2025/26. The announcement that councils can continue to keep these deficits off their main balance sheets until 2028/29 is helpful. But in the absence of a long-term solution, these deficits are still an existential threat for a number of councils.

- 1.9 Furthermore, because these deficits are financed by cash, the sector incurs substantial cash flow costs. These are primarily due to lost interest received but may also include additional interest paid if councils are forced to supplement their cash flow by borrowing. It is estimated that the forecast deficit of £5.0 billion in 2025/26 means councils will lose £200 million in unearned income alone.
- 1.10 The Office for Budget Responsibility's November 2025 Economic and Fiscal Outlook report stated that a key risk to the medium-term fiscal forecast is that local authority borrowing has increased by around £7 billion a year in this forecast compared to March, reflecting recent upward revisions to outturn and financial pressures including from the costs of SEND. The 'statutory override', which allows local authorities to disregard deficits caused by financing SEND provision when meeting their requirement to balance budgets, is due to end in 2027/28. At this point the stock of these deficits is estimated to reach a total of £14 billion, and as a result many local authorities would likely be unable to meet their balanced budget requirement. The Government has not set out how this fiscal risk would be addressed.

Reading Borough Council Context

- 1.11 Reading Borough Council is facing significant financial challenges in line with those being experienced at a national level:
 - General Fund revenue adverse variances totalling £19.6m across the last three financial years.
 - A cumulative deficit of £24.9m on the High Needs Block of the Dedicated Schools Grant.
- 1.12 The 2025/26 Quarter 2 Performance & Monitoring report, which appears elsewhere on the agenda, is forecasting an adverse net variance of £3.968m, including a net deficit of £5.424m on Children's Services.
- 1.13 This MTFS Update includes the Council's current working assumptions following the announcements made by Central Government in the Local Government Finance Policy Statement (20 November 2025) and the Autumn Budget (26 November 2025). These assumptions will need to be reviewed once the Provisional Local Government Finance Settlement is published (expected week commencing 15 December 2025).

Key Planning Assumptions

Adult Social Care

- 1.14 There are significant pressures in the social care system. These pressures include an increase in the number of service users, in addition to the number of complex care packages and increasing contract inflation. This updated MTFS includes a provisional increase of £6.092m for Adult Social Care services in 2026/27 to address these pressures.

Children's Social Care

- 1.15 This MTFS update includes a provisional increase of £6.962m in 2026/27, predominantly in respect of placements for Looked After Children due to increases in costs associated with the age profile and complexity of need.

Pay Award

1.16 Current assumptions include an increase of 2.4% per annum for 2026/27 with 1.9% for 2027/28 and 2028/29. These assumptions will be reviewed ahead of finalising the 2026/27 budget and 2026/27-2028/29 MTFS report to Council in February 2026.

Grants Rolled into Fair Funding

1.17 Fair Funding Reform proposes to consolidate a number of government grants and roll them into the Local Government Finance Settlement. The impact of this on service budgets is a reduction in income budgets, which is offset by an increase in Funding.

Capital Financing

1.18 The revenue budget includes the cost of financing the Capital Programme as set out in Appendices 4 and 5. The financial implications will need to be updated once the Housing Revenue Account Capital Programme has been finalised. This is for the reason that costs of external borrowing are allocated between the General Fund and the Housing Revenue Account based on the proportions of the respective Capital Programmes funded by borrowing.

Council Tax

1.19 The MTFS currently assumes a general Council Tax increase of 2.99% and an additional Adult Social Care precept of 2.00% across all years of the MTFS period 2026/27-2028/29. This is in line with referendum principles outlined for 2026/27 in the Local Government Finance Policy Statement.

1.20 The full year implications of the budget pressures identified in the Quarter 2 report, have been considered and factored into the MTFS assumptions. The increase/(decrease) in budget pressures being faced by the Council across this MTFS period include:

Table 1. Budget Pressures 2026/27 to 2028/29

Budget Pressures	2026/27	2027/28	2028/29
	£000	£000	£000
Adult Social Care, inc. Adult Social Care placements	6,092	6,137	4,967
Children's Services, inc. Children's Social Care placements	6,962	1,252	800
Pay Award	2,712	2,341	2,382
Grants Rolled into Fair Funding	20,475	0	0
Other	5,274	9,178	488
Total	41,515	18,908	8,637

1.21 The (increase)/decrease in efficiency and invest to save savings currently assumed within the MTFS by Directorate total:

Table 2. Budget Savings 2026/27 to 2028/29

Budget Savings	2026/27	2027/28	2028/29
	£000	£000	£000
Communities & Adult Social Care	(3,381)	(2,615)	(1,039)
Children's Services	(2,535)	(501)	(369)
Economic Growth & Neighbourhood Services	(1,044)	(224)	(180)
Resources	(1,007)	6	(32)
Chief Executive Services	(55)	(14)	(15)
Corporate	0	0	0
Total	(8,022)	(3,348)	(1,635)

1.22 The movements in additional income and other grants assumed within the MTFS include:

Table 3. Additional income and Other Grants Movements

Income and Other Grants	2026/27	2027/28	2028/29
	£000	£000	£000
Communities & Adult Social Care	(10)	(5)	0
Children's Services	0	0	0
Economic Growth & Neighbourhood Services	(3,154)	100	(43)
Resources	(226)	(116)	(96)
Chief Executive Services	0	0	0
Corporate	2,763	0	0
Total	(627)	(21)	(139)

1.23 Changes to Funding anticipated within the MTFS are set out within the following table:

Table 4. Funding Changes

Funding	2026/27	2027/28	2028/29
	£000	£000	£000
Council Tax income, including 4.99% increase	(8,044)	(8,104)	(8,594)
Increase in Collection Fund Deficits	3,813	(3,265)	0
Grants Rolled into Fair Funding	(20,475)	0	0
Fair Funding Reform	(3,711)	(1,805)	(1,593)
Total	(28,417)	(13,174)	(10,187)

1.24 The net impact of the changes set out above result in a current estimated budget gap for 2026/27 of £4.449m, decreasing to £3.490m for 2028/29.

Table 5. Current Budget Gap

	2026/27	2027/28	2028/29
	£000	£000	£000
Net Expenditure	210,975	226,514	233,377
Funding	(206,526)	(219,700)	(229,887)
Budget Gap	4,449	6,814	3,490

1.25 The net result is a forecast combined cumulative budget gap of £14.753m over the next three years. This compares to the forecast level of the combined General Fund balance and Budget Stabilisation earmarked reserves of £17.526m as of 31st March 2026. Other earmarked reserves are set aside to fund specific risks, should they materialise, or are ringfenced grants which can only be used for specific purposes.

Summary

1.26 As set out above, despite the actions taken to date, the Council still has a significant budget gap across the three years of the MTFS.

1.27 A public consultation on this MTFS Update including where future savings would best be focused will be launched on 18th December 2025 and will conclude on 17th January 2026.

1.28 Following the conclusion of the consultation period and the announcement of the Provisional Local Government Finance Settlement, a further report will be brought to Policy Committee on 16th February 2026, recommending approval of a balanced budget to Council in order that it can approve its budget and associated Council Tax level for 2026/27 at its meeting on 24th February 2026.

1.29 For ease of reading; the remainder of the report is split into four sections:

- Section A** Background and Context
- Section B** General Fund Revenue Budget
- Section C** Housing Revenue Account (HRA) Budget
- Section D** Capital Programme

Section A Background and Context

2. Background

1.30 The Medium Term Financial Strategy makes assumptions about income from Government grants, Council Tax, fees and charges and rents. It facilitates investment in key infrastructure to support transformational changes and improved customer service, thereby underpinning fit for purpose; efficient service delivery and the priorities set out in the Council Plan:

- Promote more equal communities in Reading
- Secure Reading's economic and cultural success
- Deliver a sustainable and healthy environment and reduce Reading's carbon footprint
- Safeguard and support the health and wellbeing of Reading's adults and children
- Ensure Reading Borough Council is fit for the future

3. The Current Economic and Financial Environment

1.31 The Council's future financial position, the demand for services and ability to recover previous and/or generate new income streams is significantly affected by the wider economic, political, and financial environment. The following paragraphs set out the more significant factors:

Cost of Living Crisis

1.32 Since late 2021, the UK has been experiencing what is referred to as a "cost of living crisis", whereby the cost of everyday essentials like energy and food are rising much faster than average household incomes.

1.33 The increase in inflation underpinning the crisis was caused by the combined impact of multiple national and global events:

- Brexit - Slowed economic growth and caused delays at the borders for traded goods due to new import and export rules.
- The Covid-19 Pandemic - Led to disruption of working practices and global supply chains, whilst surging demands for goods were experienced post-lockdown which also contributed to rising prices.
- The Russia-Ukraine Conflict - Led to energy price rises and global food shortages.

1.34 In addition, in an attempt to control inflation, the Bank of England gradually increased bank rate up to 5.25%, however this has now reduced to 4.0% as of November 2025.

1.35 The resulting pressures are impacting on the Council directly through increased costs but also through increased service demand. For example, pressures on the rental and private housing markets are putting more individuals at risk of homelessness, with the number of households living in temporary accommodation in England at an all-time high.

Inflation Expectations

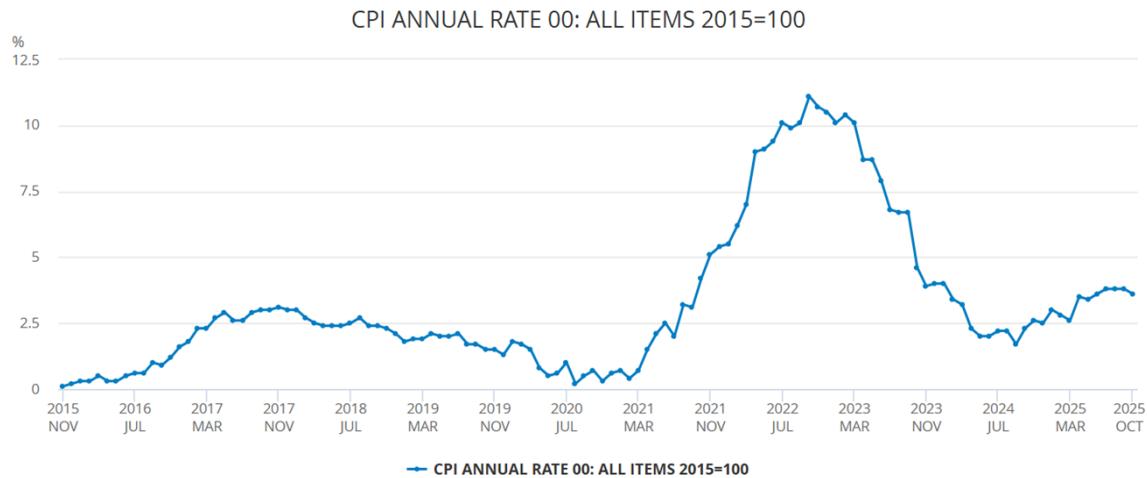
1.36 Inflationary pressures on the Council's employee and contractor costs represent a significant annual pressure that needs to be funded. Equally, inflation rates impact on fees and charges, Council Tax capping levels and business rates income through the nationally set Non-Domestic Rates Multiplier.

1.37 The annual inflation rate in the United Kingdom as measured by the Consumer Prices Index (CPI) stands at 3.6% as at October 2025, up from 2.3% in October 2024. The

Consumer Prices Index including owner occupiers' housing cost (CPIH) stands at 3.8% as at October 2025, up from 3.2% in October 2024.

1.38 Inflation climbed steadily from February 2021 until its peak of 11.1% in October 2022, due to increased demand and limited supply on various products, including gas, oil, and food supplies, following the pandemic restrictions easing and the Ukrainian invasion. The Bank of England gradually increased interest rates to help achieve its target rate of inflation of 2.0%, and so inflation has fallen significantly since then. The increase seen in 2025 owed mostly to increases in food prices and administered prices (prices that are directly set or influenced by decisions from government or regulators). The Bank of England expects inflation to ease to 3% in early 2026 and fall to 2% over the subsequent year.

Figure 1. CPI Annual Rate



Environmental Challenges

1.39 The summer of 2025 has been confirmed by climate scientists at the Met Office as the hottest on record for the UK since records began in 1884. Exceptional temperatures were felt across much of the world, exacerbating extreme weather events such as heatwaves, droughts, floods and wildfires.

1.40 The Council declared a Climate Emergency in February 2019, with the intention of achieving a carbon neutral Reading by 2030, which will require further financial commitment to achieve.

1.41 Reading has cut its carbon emissions by 57% since 2005 and the Council has cut its own carbon footprint by 73.4% in since 2008.

1.42 Reading is one of only 112 towns and cities in the world to make the most recently published CDP A List – recognised as the gold standard of environmental reporting. It is the fourth successive year Reading has achieved the status which is currently shared with only 23 other UK local authorities. The Council has worked with local partners to make the A List and is calling on all Reading residents, businesses and organisations to work together to help us reach its ambitious target of a net zero Reading by 2030.

Fair Funding Review 2.0

1.43 Consultations about changes to how funding is distributed between Local Authorities have been ongoing since 2018. On 20th November 2025 the Ministry of Housing, Communities and Local Government (MHCLG) published its formal response to the Summer 2025 Fair Funding Review (FFR) 2.0.

1.44 The Fair Funding consultation set out proposals to: a) Simplify Council funding by reducing the number of grant funding streams and including them in the 'Settlement

Funding Assessment' b) Calculate the share of the national funding that will be allocated to each council c) The transitional arrangements to move to the new funding levels.

Simplification

1.45 The government is simplifying more than 30 funding streams, worth nearly £47 billion across the next 3-years. In the updated system, £21.5 billion of this funding will be delivered through four new 'consolidated grants' as part of the multi-year Settlement package, and £25.3 billion will be rolled into the Revenue Support Grant, which is unringfenced funding within the core Settlement.

1.46 The previous consultation indicated that the £600m Recovery Grant funding provided to the most deprived authorities in 2025/26 would be rolled Revenue Support Grant in 2026/27 but has now confirmed that it will continue as a separate grant funding stream.

1.47 The Local Government Finance Policy Statement 2026/27 to 2028/29 sets out the consolidated grants as follows:

- **Homelessness, Rough Sleeping and Domestic Abuse Grant** (£2.4 billion, or £800m per annum) will be in core spending power and will bring together:
 - £1.1 billion of Homelessness Prevention Grant, distributed using the HPG formula previously consulted on in 2025;
 - Rough Sleeping Funding worth £879 million and distributed using a rough sleeping and single homelessness formula;
 - DA Safe Accommodation Grant already in spending power worth £480 million over the three years.
- **Children, Families and Youth Grant** (£3.1 billion, or approx. £1 billion per annum) will be partly within core spending power and includes:
 - The current children's social care prevention grant (£809 million);
 - Supporting Families funding within the Children and Families Grant (£760 million);
 - New funding from the transformation fund announced at the 2025 Spending Review (£319 million);
 - Further new investment of £547 million;
 - Holiday, Activities and Food Grant of £623 million;
 - Pupil Premium Plus Post-16 grants, worth £41.5 million.
- **Public health grant** (£13.45 billion, or approx. £4.5 billion per year) will consolidate:
 - The main public health grant, with existing distribution (around £12.1 billion, or £4bn pa);
 - Drug and Alcohol Treatment and Recovery Improvement Grant (£1 billion, or £330m pa);
 - Local Stop Smoking Services and Support Grant (£210 million, or £70m pa);
 - Swap to Stop scheme funding (£50 million, or £17m pa).
- **Crisis and Resilience Fund** (£2.5 billion, or approx. £800 million pa), combining:
 - Household support fund;
 - Discretionary Housing Payments.

1.48 The full list of grants being rolled into Revenue Support Grant is:

- Current revenue support grant

- Business rates income, reflecting pilot and pooling arrangements and excluding DAs/renewables (more detail in the next section).
- Grants currently in spending power: social care grant, adult social care MSIF, Employer NI contributions, New Homes Bonus, 2025/26 funding floor.
- The remaining balance of the Children and Families Grant, once Supporting Families funding is excluded.
- Other grants currently outside of spending power: temporary accommodation funding within the Homelessness Prevention Grant, virtual school head for children with a social worker and children in Kinship Care grant, Biodiversity Net Gain Planning Requirement, Deprivation of Liberty safeguards funding, Local Government finance data review funding, enforcement of local restriction and volume new burdens grant, enforcement of calorie labelling regulations new burdens grant, Awaab's Law new burdens grant and the social housing new burdens grant.

National Funding Formula

1.49 The stated aim of Fair Funding Review 2.0 is to better align funding with need across the country, updating for the first time in decades the formulas used to calculate local authorities' need for services relative to one another.

1.50 The 9 new formulas are:

Social care formulas:

- Adult social care - older component
- Adult social care - younger component
- Children and Young People's Services

Non-social care formulas:

- Foundation Formula - upper tier
- Foundation Formula - lower tier
- Fire and Rescue
- Highways Maintenance
- Home to School Transport
- Temporary Accommodation

1.51 These 9 formulas will be used to assess the differences in demand between councils, known as 'Relative Needs Formula' (RNF).

1.52 An 'Area Cost Adjustment' will then be applied to each RNF to account for the different costs of delivering services in different places.

1.53 This will give each council a relative 'Needs Share' by weighting each RNF according to the level of national expenditure on that service.

1.54 To account for different Council Tax raising ability, the Government will then multiply each council's tax base by a notional level of Council Tax set at £2,060 for a Band D property in 2026/27.

1.55 The total notional Council Tax for all council's will then be added to the grant and retained business rates available nationally to give the total notional funding available to Local Government.

1.56 The funding will then be allocated according to each Council's 'Needs Share'.

1.57 Finally, the Government will subtract each council's notional Council Tax contribution to give it's 'Settlement Funding Assessment'.

Transitional Protection

1.58 The Government view is that the current funding system is unfair and there is a balance to be struck between providing transitional arrangements and moving decisively towards improved and updated allocations which are fairer for everyone. Local authorities whose existing income is furthest above their Fair Funding Assessment will need to accept some losses in income over the multi-year Settlement as this is necessary to ensure funding can be redirected to where it is assessed as needed most.

1.59 The transitional arrangements are that:

- The government will move local authorities to their Fair Funding Assessment allocations in increments of one third over the multi-year Settlement.
- Local authorities which would see their income fall as a result of changes, will be further protected through a range of funding floor levels appropriate to specific groups of authorities' circumstances.

Local Government Finance Policy Statement 2026/27 to 2028/29

1.60 On 20th November 2025 MHCLG published a Local Government finance policy statement. Alongside the matters set out in Fair Funding 2.0 this included proposals to:

- **Incentivise house building and local economic growth:** local authorities will benefit from the additional council tax raised for each new house built in their area, over the course of the multi-year period, and will keep the longstanding incentives in the business rates system so that authorities continue to be rewarded for local growth.
- **Give authorities greater certainty:** by providing the first multi-year Settlement in a decade, so that local authorities can plan for the next 3 years.
- **Provide support for local authorities that need it:** the government recognises that there will continue to be some authorities that request additional support. There will continue to be a framework in place for supporting those in the most difficult positions.
- **Focus on prevention:** with the aim of improving outcomes for the most vulnerable residents who rely on the services where demand and costs continue to grow, including social care, by focusing on prevention and early intervention. This includes £2.4 billion invested into children's social care prevention and de-escalation.
- **Drive public service reform:** work across government to drive a programme of radical public service reform, centred on pooling budgets around service users and breaking through central government siloes, as well as looking for ways to reduce demands on local government to empower them to deliver for communities, including through reviewing the approach to sales, fees and charges, and statutory duties.

Autumn Budget 2025

1.61 The Autumn Budget 2025 was delivered by the Chancellor on 26th November 2025. The announcements in this publication included the following matters that are pertinent to the Council's finances and the wider environment in which it operates:

- Revaluations on non-domestic properties will take effect from 1 April 2026.

- For 2026/27, the current two-tier multiplier system will be replaced with five different multipliers. As a result of the 2026 revaluation, the national small business and standard multipliers have fallen by 6.7p and 7.5p respectively. Therefore, in 2026/27, all properties will pay a lower tax rate than they do now, including those on the higher multiplier.

Multiplier	2025/26	2026/27	Scope
Small business Retail Hospitality and Leisure (RHL) multiplier	—	38.2p	RHL hereditaments with RVs under £51,000
Standard RHL multiplier	—	43.0p	RHL hereditaments with RVs between £51,000 and £499,999
National small business multiplier	49.9p	43.2p	Non-RHL hereditaments with RVs under £51,000
National standard multiplier	55.5p	48.0p	Non-RHL hereditaments with RVs between £51,000 and £499,999
High-value multiplier	—	50.8p	All hereditaments with RVs of £500,000 or above

- A 0.5% cut to Department Expenditure Limits will be applied across government budgets in 2028/29, 2029/30 and 2030/31. For Local Government, this applies to local government grant funding only and excludes council tax and business rates. This is therefore equivalent to around 0.1% of Core Spending Power in 2028/29.
- A High Value Council Tax Surcharge in England will be introduced for residential properties worth £2m or more, from April 2028. Local authorities will collect this revenue on behalf of central government and will be fully compensated for the additional costs of administering this new tax. A public consultation on details relating to the surcharge is expected in early 2026.
- Pension contributions above £2,000 made through salary sacrifice will face National Insurance from April 2029, meaning they will be “treated as ordinary employee pension contributions in the tax system”.
- Income tax thresholds and the equivalent National Insurance Contribution thresholds for employees and self-employed individuals will be maintained at their current levels for a further three years from April 2028 to April 2031.
- From 1 April 2026, the National Living Wage will increase by 4.1% to £12.71 per hour. The National Minimum Wage for 18-20 year olds will also increase by 8.5% to £10.85 per hour and for 16-17 year olds and apprentices by 6.0% to £8.00 per hour.
- The Government indicated that it would not expect local authorities to need to fund future special educational needs costs from general funds, once the Statutory Override ends at the end of 2027/28. It will set out further details on its plans to support local authorities with historic and accruing deficits and conditions for accessing such support through the upcoming Local Government Finance Settlement.
- An additional £1.5 billion capital investment will be provided to tackle fuel poverty through the Warm Homes Plan, in addition to the £13.2 billion of funding allocated at Spending Review 2025.

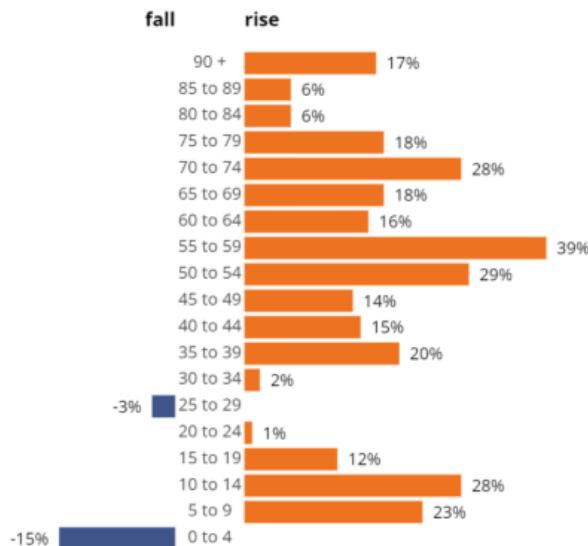
- By 2029/30, over £2 billion annually will be committed for local authorities to repair, renew and fix potholes on their roads.
- £100 million will be allocated to local authorities and public bodies to accelerate installation of charge points where people live and work.

Demographic Forecasts

1.62 Demographic growth is one of the key drivers of demand for Council services and, consequently, cost pressures. Whilst general central government funding has seen real terms decreases over the last decade, service demand and demographic pressures have risen.

1.63 According to the Office of National Statistics' latest census in 2021, since 2011 Reading's total population has risen by 11.9% to 174,200, one of the highest percentage increases in the South East. In their revised mid-year population estimates for 2024, Reading's population had grown to 182,907, approximately a 5% increase from the census in 2021. Its demographic composition has also been changing, with both older and younger age groups increasing. Residents aged 65+ increased by 17.2%, while those aged under 15 have increased by 8.6%, although this figure has been impacted by a large reduction in children aged 0-4. These changes in demographics are reflected in the increase in demand for Adult and Children's Social Care services set out above.

Figure 2. Population Change % by Age Group in Reading, 2011 to 2021



Unemployment

1.64 Around 5,535 people aged 16 and over in Reading were unemployed in the year ending Sept 2025. This is a rate of 4.5%. This was a slight increase compared to the year ending Sept 2024 when the unemployment rate was 4.4%. Across the South East, from the year ending Sept 2025 to the year ending Sept 2024, there was also a slight increase in the unemployment rate from 5.5% to 5.7%.

1.65 It is hoped that the comparatively low levels of unemployment will keep the number of Local Council Tax Support Scheme claimants low, thereby maximising the tax base and thus the amount of Council Tax income collectable.

Deprivation

1.66 One of the key outcomes for the Council is to improve the well-being of its residents and to address the needs of those most in need. The degree to which assessed need and inequality might be measured is by reference to the national Indices of Deprivation (IoD).

1.67 IoD scores and weightings are based on seven domains of deprivation and are weighted individually to provide an overall Index of Multiple Deprivation (IMD) score. There are also two additional indices as set out below:

- Income Deprivation (22.5% of the overall index)
- Employment Deprivation (22.5%)
- Education, Skills, and Training Deprivation (13.5%)
- Health Deprivation and Disability (13.5%)
- Crime (9.3%)
- Barriers to Housing and Services (9.3%)
- Living Environment Deprivation (9.3%)
- Index of income deprivation affecting children
- Index of income deprivation affecting older people

1.68 Key headlines, based on the latest 2025 data, are:

- According to the overall IMD, Reading as a whole is ranked the 147th most deprived out of 296 local authorities in the country, which puts Reading on the 49.7th percentile, i.e. very slightly less deprived than the average (50%).
- Deprivation is higher than average for the following domains: Income, Education, Skills and Training, Barriers to Housing and Services, Crime and in particular Income Deprivation Affecting Older People.
- There are now no Lower Super Output Areas (LSOAs) within the most deprived 10% nationally (compared with 5 in 2019). 11 LSOAs are within the 20% most deprived.
- There are LSOAs in the most deprived 5% nationally in terms of the following domains: Education, Skills & Training (including both sub-domains), Crime (none in 2019) and Income Deprivation Affecting Older People. There are also LSOAs in the 5% most deprived in terms of the 'wider barriers' and 'outdoor' sub-domains.
- One LSOA in Church is within the most deprived 1% nationally on the Education, Skills & Training domain.

1.69 The chart below illustrates the 2025 IoD rankings for each of the above seven domains relative to the (median) average across all 296 local authority areas, showing that Reading has a higher deprivation score than the median or is very similar to the median on 6 of the 7 indicators, but is less deprived in terms of employment than the median:

Figure 3. Indices of Deprivation (2025) - domains



Interest Rates

- 1.70 When the 2025/26 Budget and 2025/26-2027/28 MTFS was approved in February 2025, the Bank of England Bank Rate stood at 4.50%. It has subsequently decreased in May 2025 to 4.25% and again in July 2025 to 4.00%. It is expected that interest rates will continue to gradually decrease.
- 1.71 Interest rates impact on both the amount of interest that the Council forecasts it will need to pay in respect of current and forecast future borrowing, as well as the amount of interest income receivable in respect of the levels of forecast investments. As set out in the Council's Borrowing Strategy, the Council is currently attempting to avoid taking any long-term borrowing whilst interest rates remain high ahead of forecast decreases in future years. As a consequence, the Council is currently utilising existing cash balances to fund Capital Programme expenditure and therefore has less cash available to invest in longer term investments that generate higher levels of interest receivable income. The costs avoided by deferring longer term borrowing whilst borrowing rates remain high are greater than the lost investment opportunities. The Borrowing Strategy will be reviewed as part of the 2026/27 Treasury Management Strategy Statement that will be brought forward for consideration and approval in February 2026.
- 1.72 For planning purposes, the Council has assumed that the Bank of England will gradually decrease interest rates from 4.00% to 3.25% by March 2028. The MTFS assumes an average borrowing rate of 3.93% for 2026/27, decreasing to 3.73% and 3.64% in 2027/28 and 2028/29 respectively. These assumptions will be further reviewed prior to the report to Policy Committee in February 2026.

2 Local Government Finance Settlement

- 2.1 At the time of writing, the Provisional Local Government Finance Settlement (PLGFS) for 2026/27 has yet to be announced. Our assumptions around funding levels and changes to the finance system set out in this report are best estimates based on information so far available. Members will be briefed at the meeting should any announcement on the PLGFS be made prior to the December Policy Committee, whilst details of the Final Settlement will be incorporated into the budget report to be presented to Policy Committee in February 2026.
- 2.2 The formal announcement of the 2026/27 PLGFS is expected in mid-December. After a period for consultation, the final settlement will be confirmed in January/February 2026.

3 Current Year Financial Position – as at the end of September 2025

- 3.1 The Council regularly monitors its revenue and capital budgets in order to ensure its financial position remains robust, that expenditure is spent as planned and that income due to the Council is received. Additionally, the monitoring process tracks the delivery of savings proposals and risks of non-delivery which may impact on the overall position and hence need to be mitigated.
- 3.2 The 2025/26 Quarter 2 Performance & Monitoring report, which appears elsewhere on the agenda, is forecasting an adverse net variance of £3.968m, this is despite additional in year savings of £5.574m having been identified in response to pressures identified earlier in the year. The most significant pressure in the Quarter 2 report relates to Children's Services, which is forecasting a variance of £5.424m, which is partially offset by £1.456m of positive net variances across other services.
- 3.3 The Housing Revenue Account is projecting an adverse net variance of £0.197m as at the end of Quarter 2, which results in a forecast drawdown from HRA Reserves of £5.244m rather than the originally budgeted £5.047m.

- 3.4 The General Fund Capital Programme for 2025/26 has an approved budget of £86.500m. The Quarter 2 Financial Monitoring report is proposing changes that would result in a revised General Fund Capital Programme budget for 2025/26 of £76.754m.
- 3.5 The Housing Revenue Account Capital Programme for 2025/26 has an approved budget of £80.933m. The Quarter 2 Financial Monitoring report is proposing changes that would result in a revised HRA Capital Programme budget for 2025/26 of £64.483m.

Section B General Fund Revenue Budget

4 Overall Three-Year Budget Position

- 4.1 In February 2025 the Council agreed an MTFS which balanced in year 1 (2025/26) with a drawdown of £3.945m from earmarked reserves but had a deficit of £10.943m in 2026/27 and a deficit of £11.633m in 2027/28. The Council has reviewed its income and expenditure assumptions across all three years of the MTFS period (2026/27-2028/29) with a view to setting a balanced budget for all three years. However, due to the level of unprecedented demand and the uncertainty of the impact of Fair Funding Reform and the pending Provisional Local Government Finance Settlement, this has not been possible at this stage of the process. Officers are continuing to identify new savings proposals to bring forward for consideration as well as striving to reduce budget pressures relating to demand in order to close the current forecast budget gap.
- 4.2 The most significant impacts within this MTFS update include demand pressures across Children's and Adult Social Care. There remains considerable uncertainty regarding both the severity and the duration of these particular challenges, and a prudent approach has been taken throughout the MTFS refresh process.
- 4.3 As outlined above, the proposals as set out in this report do not result in a balanced budget for 2026/27 or a balanced 2026/27-2028/29 MTFS. The current budget gap is set out in the following table:

Table 7. Current Budget Gap over the MTFS Period 2026/27-2028/29

	2026/27	2027/28	2028/29	Total
	£000	£000	£000	£000
Budget Gap Annual Change	4,449	2,365	(3,324)	3,490
Total Budget Gap	4,449	6,814	3,490	14,753

- 4.4 Work is ongoing to refine and clarify planning assumptions and identify additional savings to close the budget gap and allow a balanced budget to be approved in February 2026.
- 4.5 The Council's policy is for the General Fund Balance to be 5% of the Net Budget Requirement. Assuming that the Net Budget Requirement balances with the Net Funding, based on the figures in this report the General Fund Balance would need to be increased from the current 2025/26 balance of £8.905m to £10.326m for 2026/27 rising to £11.494m by 2028/29. This percentage is currently considered to be appropriate in light of the significant uncertainties faced by the Council. This position will be reviewed further within the Chief Finance Officer's Report on the Robustness of the 2026/27 Budget Report, which will be presented to Council along with the final 2026/27 Budget and 2026/27-2028/29 Medium Term Financial Strategy in February 2026.
- 4.6 The position set out in this report relies on achieving service savings and additional income of £13.986m over the three years 2026/27 to 2028/29 as summarised below:

Table 8. General Fund Savings Summary 2026/27 to 2028/29

	Efficiency Savings	Invest to Save Schemes	Income, Fees & Charges	Total
	£000	£000	£000	£000
Communities & Adult Social Care	(7,035)	0	(15)	(7,050)
Children's Services	(2,034)	(1,371)	0	(3,405)
Economic Growth & Neighbourhood Services	(1,288)	(160)	(3,097)	(4,545)
Resources	(836)	(197)	(438)	(1,471)
Chief Executive Services	(84)	0	0	(84)
Service Total	(11,277)	(1,728)	(3,550)	(16,555)
Corporate	0	0	2,763	2,763
Total	(11,277)	(1,728)	(787)	(13,792)

4.7 The updated MTFS proposals include £69.060m of growth (£17.961m pay and other inflationary pressures and £51.099m other budget pressures), as summarised in Appendix 2.

4.8 The proposals for 2026/27 include £41.515m of growth (£6.127m pay and other inflationary pressures and £35.388m other budget pressures) and £8.649m of savings (£8.022m efficiencies and invest-to-save initiatives and £0.627m from additional income).

4.9 A summary of the current budget gap position across the three-year MTFS period is set out in the table below. Further detail is provided in Appendices 1–2 attached:

Table 9. Directorate and Corporate Budgets – Three-Year Summary

	2026/27	2027/28	2028/29
	£000	£000	£000
Communities and Adult Social Care	78,804	82,321	86,249
Children's Services	63,426	64,177	64,608
Economic Growth & Neighbourhood Services	21,599	25,017	25,282
Resources	24,634	24,598	24,470
Chief Executive Services	1,595	1,581	1,566
Total Service Expenditure	190,058	197,694	202,175
Capital Financing	18,448	19,356	19,356
Corporate Contingency	1,793	3,121	3,121
Movement to / (from) Reserves	(3,666)	(340)	(340)
Other Corporate Budgets	4,342	6,683	9,065
Total Corporate Budgets	20,917	28,820	31,202
Total Net Budget Requirement	210,975	226,514	233,377
Financed by:			
Council Tax Income	(134,178)	(142,282)	(150,876)
Business Rates Local Share	(44,692)	(45,541)	(46,403)
Revenue Support Grant	(30,921)	(31,877)	(32,608)
One-off Collection Fund (Surplus)/Deficit	3,265	0	0
Total Funding	(206,526)	(219,700)	(229,887)
Budget (Surplus)/Gap	4,449	6,814	3,490

5 Value for Money & Efficiency

- 5.1 During the last three financial years, 2022/23, 2023/24 and 2024/25, the Council delivered savings totalling £7.401m, £4.202m and £5.451m respectively. As at the end of September 2025, £3.975m of savings have been delivered in year with a further £3.663m on track to be delivered by the end of the year, against the MTFS target of £11.516m.
- 5.2 Currently the proposals included in this MTFS Update assume delivery of a further £13.005m of savings as well as an ongoing increase to income, other grants, fees and charges of £0.787m, (£8.022m and £0.627m respectively assumed in 2026/27). However, in order to deliver a balanced budget, further savings, depending on the outcome of the Local Government Finance Settlement, will need to be agreed.
- 5.3 Since 2017/18, to support the delivery of efficiencies and ongoing savings, transformation funding has been made available within the Council's Capital Programme funded from Capital Receipts. An updated Flexible Capital Receipts Strategy will be brought forward for approval as part of the 2026/27 Budget and 2026/27-2028/29 Medium Term Financial Strategy in February 2026.

6 Reserve Levels

- 6.1 CIPFA have stated that there should be no imposed limit on the level or nature of balances required to be held by an individual Council. Many authorities are currently struggling to manage their pressures with an increasing number of local authorities issuing s114 notices or requesting exceptional financial support over recent years. In light of previous high-profile failures and funding concerns raised by authorities, CIPFA launched a financial resilience index which uses a basket of indicators to measure individual Local Authorities' financial resilience compared to their comparators.
- 6.2 This index, which is based on the latest published data from Central Government (2023/24), shows that the level of reserves held by Reading Borough Council equated to 36.30% of net revenue expenditure. This placed Reading as the 30th highest among 62 Unitary Authorities.
- 6.3 The Council has shifted towards the "higher risk" end of the scale in terms of the "Change to Reserves" measure as a result of decreasing levels of reserves over the last three years. However, as set out in the main body of the report, this MTFS is forecasting a combined cumulative budget gap of £14.483m over the next three years. This compares to the forecast level of the combined General Fund balance and Budget Stabilisation earmarked reserves of £17.526m as of 31st March 2026. Other earmarked reserves are set aside to fund specific risks, should they materialise, and expenditure funded by ringfenced grants.

7 Planning Assumptions

- 7.1 The following planning assumptions are included within this Medium Term Financial Strategy Update:
 - a) **Base Budget** - The starting point for planning is the 2025/26 base budget as agreed by Council in February 2025, adjusted for any approved budget virements;
 - b) **Council Tax Increase** - A 2.99% basic increase and a 2.00% Adult Social Care Precept for each year 2026/27-2028/29;
 - On these assumptions, the standard band D charge would rise by £105.66 to £2,223.18 for a full year in 2026/27;

- The impact on taxpayer bills (before any reduction for discounts) of the Council's proposed increase is a £2.03 per week rise for a band D Council Tax household comprising at least two adults.
- The majority of properties in Reading are band C and below (approximately 40% of properties are in Band C). Reading's Council Tax increase for a band C property in 2025/26 would be £93.92, an increase of £1.80 per week.

c) **Council Tax Base** - Increases in the Tax Base for organic growth are currently assumed at 1.58% for 2026/27 and 1.00% across the remaining two years of the MTFS period and will be reviewed and updated as required as part of the Council Tax Base calculation which is reported to Council in January 2025;

d) **Capital Borrowing Rates** – average borrowing rates of 3.93%, 3.73% and 3.64% have been assumed in respect of financing of the Capital Programme over the next three years respectively. This will need to be reviewed in light of the outcomes of the Bank of England Monetary Policy Committee (MPC) meeting on 18th December 2025 and the resulting interest rate forecasts provided from MUFG Corporate Markets, the Council's Treasury Management advisors;

e) **Investment Interest** – The Bank Rate set by the Bank of England is currently 4.00% and, for the purposes of forecast interest earnings, this will be reviewed in line with the updated interest rate forecasts following the MPC meeting on 18th December 2025. The Council currently also benefits from:

- **Externally Managed Property Investments** – The Council has £15.000m invested in property funds. The Council makes a return of around 5.22% on a quarterly basis (based on 2025/26 returns); and
- **Investment Properties** – The Council owns investment properties valued at £57.260m as at 31st March 2025. These properties provide a gross return of 8.17% pa (before capital financing costs).

f) **Inflation** – CPI is currently at 3.6% as at October 2025. The Bank of England expects inflation to increase to ease to 3% in early 2026 and fall to 2% over the subsequent year.

g) **Pay Assumptions** – 2.4% per annum has been budgeted for 2026/27 with 1.9% for 2027/28 and 2028/29;

h) **Pensions** - The triennial valuation of the Pension Fund took place on 31st March 2025. The primary rate is set as 14.8% for the three years of the MTFS period.

i) **Increases in Fees and Charges** – Changes to fees & charges have been incorporated within the budget proposals where appropriate. A full schedule of fees & charges will be presented as an appendix to the Budget Report in February 2026;

j) **Capital Financing** – The prudential borrowing costs associated with the proposed Capital Programmes are accommodated within the revenue budgets; and

7.2 The Council's MTFS and General Fund budget projections are set out in Appendices 1 and 2.

8 General Fund Revenue Risk Implications

8.1 The current budget gap must be closed in order to set a legally balanced budget.

8.2 Aside from bridging the current budget gap, the main risks to delivering the proposals set out within this report include:

- The ability to contain demand pressures;
- Adverse interest rate movements;
- Increased inflationary pressures, including pay award;
- Delivery of capital receipts to fund the flexible use for transformation purposes and avoid prudential borrowing charges;
- National SEND reforms;
- The capacity of Officers to deliver the savings and income projections in line with assumptions.

8.3 Additionally, the Council's 2024/25 accounts are still subject to audit which may mean there could be some movement in the assumed baseline level of reserves.

Section C Housing Revenue Account

9 Housing Revenue Account (HRA) Budget

9.1 The HRA is a ring-fenced account which deals with the finances of the Council's social housing stock. The HRA budget must avoid a deficit on reserves over the 30-Year HRA Business Plan. Work is currently on-going to review the 30-Year HRA Business Plan and the impact on the budget over the next three years. Any revisions will be reported to Policy Committee at its meeting in February.

9.2 Following the abolition of the statutory limit on HRA borrowing known as the debt cap in October 2019, the HRA is able to undertake prudential borrowing to support the creation and acquisition of long-term assets, as long as it is prudent, affordable and sustainable within the context of its overall Business Plan.

9.3 The current 30-Year Business Plan allows for £114.375m of new borrowing under the prudential code in 2026/27-2030/31. The 30-Year Business Plan shows that the HRA is able to fund the proposed capital investment which will raise the peak debt in the HRA from £265.180m to £379.555m in 2031/32. However, the 30-Year Business Plan demonstrates that the proposed borrowing is prudent, affordable and sustainable as the HRA has the capacity to repay £330.000m of this in later years and that the projected outstanding debt level at year 30 is forecast to be £49.555m. The updated 30-Year Business Plan includes the impacts of delivering the current Local Authority New Build Programme (as well as unapproved schemes Battle Street, Dee Park and Whitley Wood Community Centre) and the transfer of housing stock into the HRA from Homes for Reading.

9.4 A summary of the HRA revenue budget over the three years of the current MTFS plan period is set out below and detailed in Appendix 3.

9.5 The Government currently permits rents to be increased by a maximum of CPI + 1%. The CPI figure is taken from the nationally published CPI figure each September for the year preceding the rent increase. The CPI rate for September 2025 was 3.8%, therefore the baseline assumption for 2026/27 rent income is a 4.8% increase.

9.6 For future years, the rate has been estimated at 3.0% (CPI + 1%) in all future years, in line with the Bank of England's long term inflation forecast of 2.0%.

9.7 Work has been undertaken to model the impact of these rent assumptions on the 30-Year Business Plan along with other income and expenditure assumptions. The modelling includes an assumed level of expenditure to maintain our properties and meet decent homes criteria, create new build properties and invest in low carbon investments in our housing stock to make council homes more energy efficient and reduce energy costs for

tenants over the longer term. Models have also been created to show the impact of rent convergence over 5 and 10 years as well as how increased existing service charges and new service charges would impact the model.

9.8 The Housing Revenue Account is not subject to the same statutory annual requirement as the General Fund to make a Minimum Revenue Provision charge to set funds aside to repay debt. It is however required to make provision for the repayment of capital debt over the longer term (broadly over the 30 year life of the HRA Business Plan). The Council's Director of Finance will continue to ensure that the HRA Business Plan provides for the prudent repayment of debt over the longer term and the HRA 30-Year Business Plan currently assumes £330m of debt repayment over the 30 years, beginning in year 14 of the model.

9.9 The final 30-Year Business Plan is yet to be agreed. Excluding rent convergence and service charge increases, balances will drop below the minimum balance approved by the Director of Finance (based on 10% of rental values) between 2029/30 and 2034/35 with the lowest point being 2032/33, £8.189m below minimum balance. A further round of modelling will occur after the expected government announcement on rent convergence in November 2025. Options will then be considered to either increase income through rent convergence and/or service charges or to reduce the scope of expenditure to deliver a balanced HRA 30-year programme. For all current models, beyond 2035 when the PFI contract ends and the properties return to the Council the reserve balances are projected to return to current levels and rise beyond. This additional resource would be available in future years for further investment into housing stock beyond the current assumptions built in.

Table 10. Summary HRA Three-Year Revenue Budget

(Opening balance reflects the provisional outturn position, subject to audit)

	2026/27 £000	2027/28 £000	2028/29 £000
Total Income	(55,588)	(58,026)	(60,458)
Total Expenditure	58,875	61,729	65,686
Net (Surplus)/Deficit	3,287	3,703	5,228
Opening HRA Balances	(19,187)	(15,900)	(12,197)
Net (Surplus)/Deficit	3,287	3,703	5,228
Closing HRA Balances	(15,900)	(12,197)	(6,969)

10 Housing Revenue Account Risk Implications

10.1 Many of the risks identified in respect of the General Fund revenue budget (see para 11.1-11.2 inclusive) also have relevance for the Housing Revenue Account. Particular risks that pertain additionally to the HRA include:

- Rent collection levels that may be affected by any downturn in the local economy;
- Changes to benefits which may impact on rent collection levels;
- Increases in debt financing costs arising from inflationary cost increases in relation to the new build programme as well as additional unapproved new build schemes included in the current model;
- Actual property surveys requiring a level of repair and maintenance above that assumed within the budget;
- Maintenance cost increases due to higher levels of inflation.

Section D Capital Programme

11 Overall Capital Programme

- 11.1 Details of the Capital Programme update for 2026/27 to 2030/31 are set out in Appendix 4 for the General Fund and Appendix 5 for the HRA.
- 11.2 During 2025/26, the Capital Programme Board has continued to review and challenge all Capital Programme schemes in respect of scheme deliverability with project managers; re-forecast spending plans with the aim of ensuring that the budgets match individual scheme delivery profiles, and to address historic profiling issues.
- 11.3 At this stage, other than fully grant funded and rolling programme schemes, only a small number of priority schemes funded by borrowing, developer contributions or capital receipts have been added into the General Fund Capital Programme. These include:
 - Investment in bridges, streetlighting and traffic management measures, to ensure the road infrastructure remains fit for purpose.
 - The purchase of vehicles to enable increased recycling.
 - Works to conserve and improve the Town Hall roof.
 - Works to increase the number of SEND school places across the borough.
- 11.4 The HRA Capital Programme includes updates to existing schemes.
- 11.5 Both Capital Programmes will be further reviewed in January, following the Local Government Finance Settlement.

12 Capital Programme Risk Implications

- 12.1 The main risks to the Council's Capital Programme are summarised below:
 - Cost overruns would impose additional borrowing costs (and associated financing charges to revenue) if unable to be met from scheme contingencies or other mitigating actions;
 - Slippage in realisation of capital receipts impacts on available financing sources, with the potential to lead to additional capital borrowing. In particular, significant slippage could leave insufficient receipts to fully finance the transformation costs – which impacts pound for pound on the revenue account;
 - Slippage in delivery of spend to save initiatives results in associated revenue savings not being delivered as anticipated; and
 - The cost of delivering the capital projects increases due to inflationary pressures.

13 Budget Next Steps

- 13.1 Statutory and wider consultation based on the budget proposals contained in this report will be undertaken and responses reported back to Policy Committee in February 2026. Similarly, the implications of the Local Government Finance Settlement (when it is announced) and the updated Capital Financing implications will also be reported to the Committee together with updated inflationary and budget pressures as well as additional savings proposals as required.
- 13.2 Policy Committee, at its meeting on 16th February 2026, will be asked to approve a balanced 2026/27 budget and three-year MTFS and recommend its adoption by Council at its meeting on 24th February 2026.

14 Contribution to Strategic Aims

- 14.1 Full details of the Council Plan and the projects which will deliver these priorities are published on the [Council's website](#). These priorities and the Council Plan demonstrate how the Council meets its legal obligation to be efficient, effective, and economical.
- 14.2 Delivery of the Council's budget is essential to ensuring the Council meets its strategic aims and remains financially sustainable going forward.

15 Environmental and Climate Implications

- 15.1 There are no specific environmental and climate implications to report in relation to the recommendations set out in this report.

16 Community Engagement

- 16.1 Budget-related communications and consultations will continue to be a priority over the next three years as we work to identify savings and efficiencies.

17 Equality Implications

- 17.1 The equality duty is relevant to the development of the Budget. This MTFS Update is based on draft financial implications of a number of draft savings and income proposals. Those proposals that will ultimately be included within the 2026/27 Budget and 2026/27-2028/29 MTFS will be subject to equality impact assessments, and these will be developed between now and February 2026.

18 Other Relevant Considerations

- 18.1 There are none.

19 Legal Implications

- 19.1 The Local Government Act 2003 requires that the Authority reviews its Budget throughout the year and takes any action it deems necessary to deal with the situation arising from monitoring. Currently monitoring reports are submitted to Policy Committee quarterly throughout the year.

20 Financial Implications

- 20.1 The financial implications are set out in the body of this report.
- 20.2 The Council must set its budget in accordance with the provisions of the Local Government Finance Act 1992. Approval of a balanced budget each year is a statutory responsibility of the Council. In order to be able to comply with this statutory responsibility and to avoid the potential of needing to issue a s114 notice, the Council will need to address the forecast budget gap as there are insufficient reserves to cover the gap across the 3-years of the MTFS.

21 Timetable for Implementation

- 21.1 Not applicable.

22 Background Papers

- 22.1 There are none.

Appendices

- 1. Summary of the Proposed General Fund Budget 2026/27 to 2028/29**
- 2. Summary of General Fund Budget Changes 2026/27 to 2028/29**
- 3. Summary of HRA Budget 2026/27 to 2028/29**
- 4. General Fund Capital Programme 2026/27 to 2028/29**
- 5. HRA Capital Programme 2026/27 to 2028/29**

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Appendix 1 - Summary of the Proposed General Fund Budget 2026/27 to 2028/29

Directorate/Service	Approved Budget 2025/26 £'000	Proposed Budget 2026/27 £'000	Proposed Budget 2027/28 £'000	Proposed Budget 2028/29 £'000
Communities & Adult Social Care				
Commissioning, Transformation & Performance	(7,948)	(7,801)	(7,739)	(7,656)
Adult Social Care Operations	62,831	71,279	74,794	78,678
Safeguarding, Quality & Practice	7,897	7,890	7,886	7,886
Community & Adult Social Care Management	1,570	1,569	1,569	1,569
Housing & Communities	3,582	5,867	5,811	5,772
Public Health	0	0	0	0
Communities & Adult Social Care	67,932	78,804	82,321	86,249
Children's Services				
Family Help & Safeguarding	49,663	54,655	55,548	55,979
Children's Commissioning, Resource & Performance Services	3,347	3,317	3,317	3,317
Education Services	5,989	5,454	5,312	5,312
Children's Services	58,999	63,426	64,177	64,608
Economic Growth & Neighbourhood Services				
Planning, Transport & Public Protection	(101)	1,565	2,278	2,209
Culture	3,059	2,493	2,053	1,751
Environmental & Commercial Services	18,603	16,267	18,614	18,883
Property & Asset Management	376	(171)	342	342
Management & Sustainability	908	1,445	1,730	2,097
Economic Growth & Neighbourhood Services	22,845	21,599	25,017	25,282
Resources				
Policy, Change & Customer Services	4,163	3,925	3,893	3,765
Human Resources & Organisational Development	2,661	2,497	2,475	2,475
Finance	6,961	6,745	6,742	6,742
Legal & Democratic Services	3,834	3,630	3,628	3,628
Digital & IT	8,147	7,837	7,860	7,860
Resources	25,766	24,634	24,598	24,470
Chief Executive Services				
Executive Management Team	944	944	944	944
Communications	706	651	637	622
Chief Executive Services	1,650	1,595	1,581	1,566
Total Service Expenditure	177,192	190,058	197,694	202,175
Corporate Budgets				
Capital Financing Costs	17,296	18,448	19,356	19,356
Corporate Contingency	738	1,793	3,121	3,121
Movement to/(from) Reserves	(3,945)	(3,666)	(340)	(340)
Other Corporate Budgets	(13,172)	4,342	6,683	9,065
Corporate Budgets	917	20,917	28,820	31,202
Net Budget Requirement	178,109	210,975	226,514	233,377
Financed By:				
Council Tax Income	(126,134)	(134,178)	(142,282)	(150,876)
Fair Funding Reform - New SFA	0	0	0	0
Business Rates Local Share	(34,330)	(44,692)	(45,541)	(46,403)
Section 31 Grant (Business Rates Retention Scheme)	(13,514)	0	0	0
New Homes Bonus	(812)	0	0	0
Revenue Support Grant	(2,771)	(30,921)	(31,877)	(32,608)
Other Government Grants	0	0	0	0
One-off Collection Fund (Surplus)/Deficit - Council Tax	(408)	810	0	0
One-off Collection Fund (Surplus)/Deficit - Business Rates	(140)	2,455	0	0
Total Funding	(178,109)	(206,526)	(219,700)	(229,887)
Over/(Under) Budget	0	4,449	6,814	3,490

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Appendix 2 - Summary of General Fund Budget Changes 2026/27 to 2028/29

	2026/27	2027/28	2028/29	Total Changes
	£'000	£'000	£'000	£'000
Approved Budget	178,109	210,975	226,514	
Contractual Inflation	6,127	6,065	5,769	17,961
Budget Pressures	35,388	12,843	2,868	51,099
Efficiency Savings	(7,085)	(2,986)	(1,206)	(11,277)
Invest to Save	(937)	(362)	(429)	(1,728)
Income Fees & Charges	(627)	(21)	(139)	(787)
Proposed Net Budget Requirement	210,975	226,514	233,377	55,268

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Appendix 3 - Summary of the Proposed Housing Revenue Account Budget 2026-27

	Approved Budget 2025/26	Proposed Budget 2026/27	Proposed Budget 2027/28	Proposed Budget 2028/29
Dwelling Rents	(45,113)	(48,353)	(50,902)	(53,480)
Service Charges	(1,023)	(1,044)	(1,075)	(1,108)
PFI Credit	(4,924)	(4,924)	(4,924)	(4,924)
Other Income	(197)	(201)	(284)	(370)
Interest on Balances	(1,583)	(1,066)	(841)	(576)
Total Income	(52,840)	(55,588)	(58,026)	(60,458)
Management & Supervision	12,154	11,727	11,999	12,272
Special Services	5,114	5,056	5,157	5,261
Provision of Bad Debt	922	515	550	584
Repairs and Maintenance	9,229	10,353	11,709	13,144
Major Repairs/Depreciation	14,010	13,500	13,770	14,046
Debt Costs	8,059	9,123	9,754	11,396
PFI Costs	8,410	8,601	8,790	8,983
Total Expenditure	57,898	58,875	61,729	65,686
Net (Surplus)/Deficit	5,058	3,287	3,703	5,228
Forecast Opening HRA Balances	(24,245)	(19,187)	(15,900)	(12,197)
Net (Surplus)/Deficit	5,058	3,287	3,703	5,228
Forecast Closing HRA Balances	(19,187)	(15,900)	(12,197)	(6,969)

to 2028-29

Appendix 4 - General Fund Capital Programme 2026/27 - 2030/31

Scheme Name	2025/26 Forecast			2026/27 Forecast			2027/28 Forecast			2028/29 Forecast			2029/30 Forecast			2030/31 Forecast		
	Spend (£,000's)	Funding (£,000's)	Net (£,000's)															
Community & Adult Social Care																		
Adult Social Care																		
ASC Digital Transformation	166	-	166	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Co-located profound and multiple learning disabilities day opportunities and respite facility and sheltered housing flats	6,869	-	6,869	400	-	400	964	(6)	958	411	-	411	-	-	-	-	-	-
Adult Social Care - Sub Total	7,035	-	7,035	400	-	400	964	(6)	958	411	-	411	-	-	-	-	-	-
Housing & Communities																		
Provision of Gypsy & Traveller Accommodation	-	-	-	-	-	-	-	-	-	3,455	-	3,455	-	-	-	-	-	-
Harden Public Open Spaces to Prevent Illegal Encampments	60	-	60	25	-	25	25	-	25	25	-	25	25	-	25	25	-	25
Other Housing Minor Schemes	100	(100)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Green Homes Scheme - GF element	40	(40)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disabled Facilities Grants (Private Sector)	1,788	(1,788)	-	1,197	(1,197)	-	1,197	(1,197)	-	1,197	(1,197)	-	1,197	(1,197)	-	1,197	(1,197)	-
Foster Care Extensions	529	-	529	200	-	200	-	-	-	-	-	-	-	-	-	-	-	-
Private Sector Renewals	323	-	323	300	-	300	300	-	300	300	-	300	300	-	300	300	-	300
Housing & Communities - Sub Total	2,840	(1,928)	912	1,722	(1,197)	525	1,522	(1,197)	325	4,977	(1,197)	3,780	1,522	(1,197)	325	1,522	(1,197)	325
Community & Adult Social Care - Total	9,875	(1,928)	7,947	2,122	(1,197)	925	2,486	(1,203)	1,283	5,388	(1,197)	4,191	1,522	(1,197)	325	1,522	(1,197)	325
Children's Services																		
Pinecroft-Children who have complex health, physical,sensory,disabilities & challenging behaviour	2	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cressingham- Community Short Breaks Provision	3	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision of additional Children's Homes	1,429	-	1,429	200	-	200	-	-	-	-	-	-	-	-	-	-	-	-
Children's Home for Children with Disabilities	-	-	-	1,138	-	1,138	-	-	-	-	-	-	-	-	-	-	-	-
Early Years increase to 30 hours provision	264	(264)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Children's Services - Total	1,698	(264)	1,434	1,338	-	1,338	-	-	-	-	-	-	-	-	-	-	-	-
Economic Growth and Neighbourhood Services																		
Planning, Transportation & Public Protection																		
Air Quality Monitoring	142	(22)	120	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Active Travel Tranche 2	1,191	(1,191)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Active Travel Tranche 3	2,069	(2,069)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Active Travel Tranche 4	50	(50)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Active Travel Tranche 4 extension	50	(50)	-	508	(508)	-	-	-	-	-	-	-	-	-	-	-	-	-
Active Travel Tranche 5	207	(207)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Consolidated Active Travel Fund	489	(489)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Berkshire Coroner's Removals	25	(10)	15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bus Service Improvement	4,639	(4,639)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Transport Plan Development	2,206	(2,206)	-	900	(900)	-	989	(989)	-	400	(400)	-	400	(400)	-	400	(400)	-
Reading West Station	143	(143)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
South Reading MRT (Phases 3 & 4)	4	(4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Town Centre Street Trading Infrastructure	70	-	70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction of Green Park Station	7	(7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CIL Local Funds - Community	99	(99)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
S106 Individual schemes list	780	(780)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Defra Air Quality Grant - Bus Retrofit	369	(369)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Defra Air Quality Grant - Go Electric Reading	18	(18)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electric Vehicle Charging Points	866	(866)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Zero Emission Bus Regional Areas (ZEBRA) grant to RTL	2,725	(2,725)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Air Quality Grant - AQ sensors awareness & behaviour change	15	(15)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transport Demand Management Scheme	-	-	-	-	-	-	-	-	-	600	(600)	-	-	-	-	-	-	-
Planning, Transportation & Public Protection - Sub Total	16,164	(15,959)	205	1,408	(1,408)	-	989	(989)	-	1,000	(1,000)	-	400	(400)	-	400	(400)	-

Scheme Name	2025/26 Forecast			2026/27 Forecast			2027/28 Forecast			2028/29 Forecast			2029/30 Forecast			2030/31 Forecast		
	Spend (£,000's)	Funding (£,000's)	Net (£,000's)	Spend (£,000's)	Funding (£,000's)	Net (£,000's)	Spend (£,000's)	Funding (£,000's)	Net (£,000's)	Spend (£,000's)	Funding (£,000's)	Net (£,000's)	Spend (£,000's)	Funding (£,000's)	Net (£,000's)	Spend (£,000's)	Funding (£,000's)	Net (£,000's)
Culture																		
Leisure Centre Enhancement	1,299	-	1,299	976	-	976	308	-	308	217	-	217	581	-	581	478	-	478
Hexagon Investment	-	-	-	50	-	50	65	-	65	-	-	-	-	-	-	-	-	-
Levelling Up Delivery Plan - New performance space at the Hexagon Theatre	6,493	(6,303)	190	9,851	-	9,851	-	-	-	-	-	-	-	-	-	-	-	-
Levelling Up Delivery Plan - New Reading Library at the Civic Centre	8,731	(5,929)	2,802	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Abbey Quarter restoration works	30	(30)	-	89	(89)	-	-	-	-	-	-	-	-	-	-	-	-	-
High Street Heritage Action Zone	86	-	86	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Berkshire Record Office - extension of storage space	362	-	362	10	-	10	-	-	-	-	-	-	-	-	-	-	-	-
New Directions Ways into work	52	(52)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Whitley Wood Pavilion	311	(139)	172	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Library Improvement Works (ACE Fund)	250	(250)	-	155	(155)	-	-	-	-	-	-	-	-	-	-	-	-	-
Culture - Sub Total	17,614	(12,703)	4,911	11,131	(244)	10,887	373	-	373	217	-	217	581	-	581	478	-	478
Environmental & Commercial Services																		
Playground equipment and Refreshment: Boroughwide	372	(350)	22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Kenavon Drive Landscape	25	(25)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Victoria Rec	15	(15)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Thames Path works in Kingsmeadow	154	(154)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restoration of historic eastern wall at Caversham Court Gardens	20	(20)	-	408	(191)	217	-	-	-	-	-	-	-	-	-	-	-	-
Restoration of historic western wall at Caversham Court Gardens	-	-	-	100	-	100	700	-	700	128	-	128	-	-	-	-	-	-
Ecological Works	21	(21)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
John Rabson skatepark	345	(65)	280	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tree Planting	56	(4)	52	125	-	125	150	-	150	200	-	200	50	-	50	50	-	50
Highways Infrastructure Programme	5,806	(1,968)	3,838	3,902	(1,890)	2,012	2,688	(1,838)	850	2,688	(1,838)	850	1,838	(1,838)	-	1,838	(1,838)	-
Chestnut Walk Improvements	29	(23)	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CIL Local Funds - Heritage and Culture	94	(94)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CIL Local Funds - Leisure and Play	512	(512)	-	100	(100)	-	-	-	-	-	-	-	-	-	-	-	-	-
CIL Local Funds - Transport	1,345	(1,345)	-	602	(602)	-	326	(326)	-	326	(326)	-	326	(326)	-	326	(326)	-
Highway Traffic Signals	626	(518)	108	350	-	350	350	-	350	350	-	350	-	-	-	-	-	-
Streetlighting Investment	753	(750)	3	890	-	890	700	-	700	700	-	700	-	-	-	-	-	-
Pedestrian Defined Urban Pocket Gardens	41	-	41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pedestrian handrails	52	-	52	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pumping Station Upgrade Scheme (new)	14	-	14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reading Station Subway	10	(10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hostile Vehicle Mitigation	-	-	-	250	-	250	-	-	-	-	-	-	-	-	-	-	-	-
Car Park Investment Programme (inc P&D, Red Routes & Equipment)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Network Management Programme	303	(303)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Digitised TRO's	300	-	300	169	-	169	-	-	-	-	-	-	-	-	-	-	-	-
Eastern Area Access Works	-	-	-	199	(199)	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Traffic Management and Road Safety Schemes	126	(126)	-	1,125	(575)	550	500	(150)	350	500	(150)	350	150	(150)	-	150	(150)	-
Oxford Road Corridor Works	216	(216)	-	660	(660)	-	-	-	-	-	-	-	-	-	-	1,000	1,000	1,000
Traffic Management Schools	94	(94)	-	300	(300)	-	100	(100)	-	100	(100)	-	100	(100)	-	100	(100)	-
Western Area Access Works	-	-	-	128	(128)	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle Maintenance Workshop	5	-	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Replacement Vehicles	506	-	506	1,570	-	1,570	2,991	-	2,991	3,681	-	3,681	677	-	677	-	-	-
Environmental & Commercial Services - Sub Total	11,840	(6,613)	5,227	10,878	(4,645)	6,233	8,505	(2,414)	6,091	8,673	(2,414)	6,259	3,141	(2,414)	727	2,464	(2,414)	50
Property & Asset Management																		
The Heights Permanent Site Mitigation	67	-	67	335	(297)	38	-	-	-	-	-	-	-	-	-	-	-	-
Corporate and Community Buildings	775	-	775	3,276	-	3,276	3,800	-	3,800	1,000	-	1,000	-	-	-	1,000	1,000	1,000
Reading Cemetery Archway - Structural Conservation Works	-	-	-	600	-	600	100	-	100	-	-	-	-	-	-	-	-	-
1 Dunsfold Fitout for BFIC Family Contact Centre - Development for Community Use	22	(19)	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Katesgrove Community and YOS Refurbishment - Development for Community Use	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance & Enhancement of Council Properties	150	-	150	-	-	-	8,650	-	8,650	-	-	-	-	-	-	-	-	-
Acro Business Park	-	-	-	-	-	-	-	-	-	596	-	596	-	-	-	-	-	-
Property & Asset Management - Sub Total	1,014	(19)	995	4,211	(297)	3,914	12,550	-	12,550	1,596	-	1,596	1,000	-	1,000	1,000	-	1,000
Management & Sustainability																		
Salix Decarbonisation Fund	654	-	654	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Solar Programme	396	(12)	384	1,557	-	1,557	-	-	-	-	-	-	-	-	-	-	-	-
Management and Sustainability - Sub Total	1,050	(12)	1,038	1,557	-	1,557	-	-	-									
Economic Growth and Neighbourhood Services Total	47,682	(35,306)	12,376	29,185	(6,594)	22,591	22,417	(3,403)	19,014	11,486	(3,414)	8,072	5,122	(2,814)	2,308	4,342	(2,814)	1,528

Scheme Name	2025/26 Forecast			2026/27 Forecast			2027/28 Forecast			2028/29 Forecast			2029/30 Forecast			2030/31 Forecast		
	Spend (£,000's)	Funding (£,000's)	Net (£,000's)	Spend (£,000's)	Funding (£,000's)	Net (£,000's)	Spend (£,000's)	Funding (£,000's)	Net (£,000's)	Spend (£,000's)	Funding (£,000's)	Net (£,000's)	Spend (£,000's)	Funding (£,000's)	Net (£,000's)	Spend (£,000's)	Funding (£,000's)	Net (£,000's)
Resources																		
IT Future Operating Model	1,249	-	1,249	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ICT Tech Refresh	954	-	954	378	-	378	799	-	799	458	-	458	477	-	477	377	-	377
Cremator Procurement	708	-	708	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Works to Henley Road Cemetery & Crematorium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Burial Chambers	55	-	55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional Burial Space	26	-	26	313	-	313	1,416	-	1,416	1,382	-	1,382	-	-	-	-	-	-
Cemetery Land Acquisition	-	-	-	2,500	-	2,500	-	-	-	-	-	-	-	-	-	-	-	-
Resources Total	2,992	-	2,992	3,191	-	3,191	2,215	-	2,215	1,840	-	1,840	477	-	477	377	-	377
Economic Growth and Neighbourhood Services (Education Schemes)																		
Additional School Places - Contingency	-	-	-	1,288	(1,288)	-	-	-	-	-	-	-	-	-	-	-	-	-
DFC	246	(246)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SEN Provision - Avenue Centre	44	(44)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Asset Management	497	(497)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Civitas- Synthetic Sports Pitch	24	(24)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Crescent Road Playing Field Improvements	-	-	-	121	(121)	-	-	-	-	-	-	-	-	-	-	-	-	-
Critical Reactive Contingency: Health and safety (Schools)	300	(300)	-	200	(200)	-	200	(200)	-	200	(200)	-	269	(269)	-	-	-	-
Fabric Condition Programme	2,287	(2,287)	-	1,677	(1,677)	-	1,612	(1,612)	-	1,612	(1,612)	-	-	-	-	-	-	-
Green Park Primary School	60	(60)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Heating and Electrical Renewal Programme	37	(37)	-	2,391	(2,391)	-	-	-	-	-	-	-	-	-	-	-	-	-
Initial Viability work for the Free School at Richfield Avenue	1	(1)	-	28	(28)	-	-	-	-	-	-	-	-	-	-	-	-	-
Modular Buildings Review	-	-	-	355	(355)	-	798	(798)	-	-	-	-	-	-	-	-	-	-
Dee Park Regeneration - Housing Infrastructure Fund (school)	827	(827)	-	6,153	(6,153)	-	-	-	-	-	-	-	-	-	-	-	-	-
Public Sector Decarbonisation Funds - School Estate Double Glazing Programme	289	(289)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SCD Units	25	(25)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Schools - Fire Risk Assessed remedial Works	210	(210)	-	163	(163)	-	-	-	-	-	-	-	-	-	-	-	-	-
SEN High Needs provision capital allocations	5,254	(5,254)	-	5,302	(5,302)	-	2,120	(2,120)	-	6,000	(6,000)	-	2,350	(2,350)	-	-	-	-
The Heights Temporary School	351	(351)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Park Lane Primary School Annex Replacement	550	(550)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic Growth and Neighbourhood Services (Education Schemes) Total	11,002	(11,002)	-	17,678	(17,678)	-	4,730	(4,730)	-	7,812	(7,812)	-	2,619	(2,619)	-	-	-	-
Corporate																		
Delivery Fund (Pump priming for Transformation projects)	2,927	-	2,927	1,500	-	1,500	1,500	-	1,500	1,500	-	1,500	1,500	-	1,500	1,500	-	1,500
Oracle Shopping Centre capital works	100	-	100	100	-	100	100	-	100	100	-	100	100	-	100	100	-	100
Minster Quarter - Brownfield Land Grant Element	-	-	-	2,000	(2,000)	-	-	-	-	-	-	-	-	-	-	-	-	-
Minster Quarter	478	-	478	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Total	3,505	-	3,505	3,600	(2,000)	1,600	1,600	-	1,600									
General Fund Total	76,754	(48,500)	28,254	57,114	(27,469)	29,645	33,448	(9,336)	24,112	28,126	(12,423)	15,703	11,340	(6,630)	4,710	7,841	(4,011)	3,830

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Appendix 5 - HRA Capital Programme 2026/27 - 2030/31

Scheme Name	2025/26 Forecast			2026/27 Forecast			2027/28 Forecast			2028/29 Forecast			2029/30 Forecast			2030/31 Forecast		
	Spend (£,000's)	Funding (£,000's)	Net (£,000's)															
Disabled Facilities Grants	675	-	675	709	-	709	600	-	600	600	-	600	600	-	600	600	-	600
Housing Management System	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Major Repairs - Existing Homes Renewal & Zero Carbon Retrofit works	11,324	-	11,324	25,645	-	25,645	11,294	-	11,294	9,900	-	9,900	9,900	-	9,900	9,900	-	9,900
Acquisitions from Homes for Reading	11,355	-	11,355	9,450	-	9,450	6,615	-	6,615	-	-	-	-	-	-	-	-	-
Single Homelessness Accommodation Programme (SHAP)	371	-	371	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Homes Provided under Local Authority Housing Fund	3,137	(821)	2,316	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Local authority new build programme for Older people and vulnerable adults	16,106	(4,295)	11,811	13,939	(13,207)	732	368	-	368	-	-	-	-	-	-	-	-	-
New Build & Acquisitions - Phase 2 - 4	21,515	(6,073)	15,442	17,567	(1,120)	16,447	5,699	(230)	5,469	-	-	-	-	-	-	-	-	-
Grand Total	64,483	(11,189)	53,294	67,310	(14,327)	52,983	24,576	(230)	24,346	10,500	-	10,500	10,500	-	10,500	10,500	-	10,500

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Agenda Item 15

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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