

COUNCIL MEETING MINUTES - 24 FEBRUARY 2026

Present: Councillor Mpofu-Coles (Mayor);

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

Apologies: Councillors McCann and Williams

41. MAYOR'S ANNOUNCEMENTS

The Mayor made the following announcements:

'Today marks exactly four years since Russia launched its full-scale invasion of Ukraine. The losses felt by families as a direct result of the conflict are unimaginable. I am sure Councillors on all sides of the Chamber will join me in sending our prayers to people who have lost loved ones, and for those who will do so for as long as this conflict continues.

The invasion of Ukraine on 24th February 2022 also prompted a humanitarian crisis which saw hundreds of thousands of Ukrainians forced to uproot and leave their homes to seek safety for their families. Many came here to the United Kingdom and included in that number are many who sought sanctuary in our town. At the time, the empathy and generosity of Reading residents shone through, as we all knew it would. Residents of the town welcomed Ukrainian citizens seeking refuge, embraced them and supported them to become valued members of the town's community.

Just under four years ago, many of you were sat in this Chamber as we agreed a motion which condemned the invasion of Ukraine by Russia and agreed to work with the incredible volunteers at the Reading Ukrainian Community Centre to do everything that we can to support those seeking refuge. That sentiment remains as true today as it was four years ago, and we can only hope that for the people of Ukraine, their sacrifices are not in vain and that peace comes soon.

I would also ask the Council to remember, and pay tribute to, two of our former Councillors who have recently passed away.

Ronald John Williams was a Reading Councillor between 1979 and 1987, first elected to the old Castle Ward and then to Katesgrove. He lived in Tilehurst and worked at the University of Reading.

Chris Harris was a Councillor for Tilehurst between 2007 and 2011. He was a member of the Education and Children's Services Scrutiny Panel and Parenting Panel, and a Policy Advisor for the Education & Children's Services portfolio in the 2010-11 coalition administration. He

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also represented the Council on the Fire Authority for several years. Chris will be sorely missed, especially for his warmth, sharp wit and sense of humour.

Councillors please will you join me in standing for a minute's silence.'

The Mayor also invited Councillor Terry to pay tribute to Councillor Sarah Hacker, who was attending her last full Council meeting before standing down at the 2026 local elections.

42. MINUTES

The minutes of the meeting held on 27 January 2026 were agreed as a correct record and signed by the Mayor.

43. PETITIONS

Peter Burt presented a petition as follows:

Reading Borough Council – No Budget Cuts

We have had enough of austerity and public spending cuts while the government helps billionaires to get richer and richer.

We call upon Reading Borough Council and other Berkshire Councils to reverse budget cuts, set a needs-based budget, and publicly demand the Labour government to provide adequate funds for local Councils.

RESPONSE by Councillor Terry (Leader of the Council):

I think it's really important that we are clear that we are not in a period of austerity. The early years of austerity following the 2010 General Election saw cash cuts in core council funding, whereas local government is now seeing a growth in funding, with Reading having a £6.2m increase over the next three years on top of the £4.3m we got last year.

The Council did, however, lobby the Government for greater financial flexibilities as part of our response to the provisional funding settlement in December.

The budget presented to Council tonight invests significantly in frontline services, with £4.7m extra for Adult Social Care and £3.8m for Children's Services, with the additional funding being targeted at the areas of greatest need. And this is on top of the more than £10m we were able to invest in those services last year. We also continue to invest in the things that are the highest priority for the people of Reading, including more social housing and improving our roads and public transport.

Reading Borough Council is able to make those investments due to the additional funding we have received and our own prudent management of our finances.

That is not austerity.

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44. QUESTIONS FROM MEMBERS OF THE PUBLIC

Questions on the following matters were submitted by members of the public:

	Questioner	Subject	Answer
1.	Peter Burt	Government Spending on Local Authorities	Cllr Terry
2.	Peter Burt	Council Tax	Cllr Terry
3.	Jo Musominari	School Streets	Cllr Ennis
4.	Sinead Gibson	Deaths and Domestic Abuse	Cllr Rowland
5.	Jacqui Mukono	Accommodation for Survivors of Domestic Abuse	Cllr Rowland
6.	Samuel Fisher	No Cuts Needs Based Budget	Cllr Terry

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

45. QUESTIONS FROM COUNCILLORS

Questions on the following matters were submitted by councillors:

	Questioner	Subject	Answer
1.	Councillor McElroy	Council Funding	Cllr Terry
2.	Councillor R Singh	Rough Sleeping	Cllr Yeo

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

46. CHIEF FINANCE OFFICER'S REPORT ON THE ROBUSTNESS OF THE 2026/27 BUDGET

The Director of Finance submitted a report on the robustness of the Council's 2026/27 budget.

The report noted that the process of setting a balanced budget on an annual basis was underpinned by the professional judgement of the Chief Finance Officer, who was legally required to write a Section 25 statement reporting to Council the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed financial reserves.

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

Resolved –

That the Chief Finance Officer's report on the robustness of the Council's 2026/27 budget and indicative budgets for the subsequent two financial years

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2027/28 and 2028/29 or 2029/30 be noted and the opinion contained therein be taken into account in consideration of Items 47-50 below.

47. 2026/27 BUDGET & MEDIUM TERM FINANCIAL STRATEGY 2026/27 - 2028/29

The Director of Finance submitted a report setting out for approval the 2026/27 Budget and Medium-Term Financial Strategy. The report also provided an update on the results of the budget engagement exercise, changes to the Budget arising from the publication of the Final Local Government Finance Settlement 2026/27 published on 9 February 2026, as well as other changes that had arisen since the Policy Committee had recommended the Budget to Council at its meeting on 16 February 2026 (Minute 59 refers). The following documents were attached to the report:

- Appendix 1 - Medium Term Financial Strategy 2026/27 - 2028/29;
- Appendix 2 - Summary of the Proposed General Fund Budget 2026/27 - 2028/29;
- Appendix 3 - General Fund Revenue Budget by Service 2026/27 - 2028/29;
- Appendix 4 - Detailed General Fund Budget Changes 2026/27 - 2028/29;
- Appendix 5 - The Housing Revenue Account Proposed Budget 2026/27 - 2028/29;
- Appendix 6 - The Dedicated Schools Grant Budget Proposals 2026/27;
- Appendix 7 - The General Fund and HRA Capital Programmes 2026/27 - 2028/29;
- Appendix 8 - The Flexible Use of Capital Receipts Strategy 2026/27;
- Appendix 9 - Fees and Charges Proposals from April 2026;
- Appendix 10 - Equality Impact Assessment of the Budget Proposals;
- Appendix 11 - Summary of the Response to the Budget Engagement.

The report noted that the 2026/27 Budget and MTFS 2026/27-2028/29 reflected the changing landscape in which Councils were now operating, including the impact of funding reform and the announcement of a three-year Local Government funding settlement from Central Government. The most significant impacts on the Budget and the MTFS included demand pressures and placement costs in adult and children's social care and Special Education Needs arising from increased demand, complexity and market challenges.

The 2026/27 Budget & Medium-Term Financial Strategy recommended to Council by Policy Committee on 16 February 2026 had been based on the Provisional Local Government Finance Settlement published on 17 December 2025, and the report to Council had been updated to reflect announcements made as part of the Final Local Government Finance Settlement published on 9 February 2026. The updates reflected an increase of £1.347m in 2026/27, rising to £2.125m in 2028/29 in the Homelessness, Rough Sleeping and Domestic Abuse grant which had enabled the removal of previously planned savings in homelessness support services, and confirmation that the Government would fund 90% of the accumulated High Needs Block SEND deficit as at 31 March 2026, subject to the Department for Education's approval of a local SEND reform plan. Based on current forecasts this one-off grant was estimated to reduce the Council's cumulative deficit by £44m, with the Council needing to fund the remaining 10% of the deficit in 2028/29.

The report explained that the underpinning rationale of the Medium-Term Financial Strategy was to deliver a balanced and affordable 2026/27 budget, to ensure that the Council's finances were robust and sustainable over the medium term and that, in the longer term, the

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Council's finances were not reliant on the unsustainable use of one-off reserves or funding. The Strategy was informed by 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" as well as the priorities set out in the Council Plan.

The report set out the budget and MTFS assumptions which included Council Tax increases of 2.99% plus an Adult Social Care precept of 2.0% for each year 2026/27-2028/29, delivery of £17.935m of efficiencies and increased income across 2026/27-2028/29, a net draw from earmarked reserves totalling £7.302m in 2026/27, a housing rent increase for 2026/27 of 4.8% in line with approved government policy of CPI + 1% and rent convergence starting at £1 per week in 2028/29 increasing to £2 per week in 2029/30, General Fund capital investment of £140.858m and Housing Revenue Account capital investment of £232.141m over the five-year period 2026/27 to 2030/31, and an initial allocation of £1.500m of transformation funding for each year from 2026/27 to 2029/30 to support delivery of efficiency savings assumed within the MTFS, taking the total transformation funding to £29.229m across the whole life of the Delivery Fund.

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

Resolved -

That, having due regard of the results of the budget engagement exercise (as outlined in Appendix 11 of the report) and Residents Survey, the 2026/27 General Fund and Housing Revenue Account budgets, Capital Programme and Medium-Term Financial Strategy as set out in Appendices 1-10 be approved, whilst noting the following:

- (1) The Council's General Fund Budget Requirement of £199.662m for 2026/27 and an increase in the band D Council Tax for the Council of 2.99% plus an additional 2.00% Adult Social Car Precept, representing a band D Council Tax of £2,223.18 per annum, an increase of £105.66 per annum excluding precepts from Police and Fire, as set out in paragraph 2.4 of the report;**
- (2) The proposed savings and efficiencies of £9.657m and increased income and fees and charges of £2.366m, required to achieve a balanced budget for 2026/27 as set out in Appendices 2 and 3;**
- (3) The overall savings and efficiencies of £14.781m and increased income, fees and charges of £3.154m currently proposed within the MTFS, and gross three-year growth changes to service and corporate budgets of £68.401m as set out in Appendices 3 and 4;**
- (4) The budgeted net drawdown from earmarked reserves in 2026/27 totalling £7.302m, as set out in paragraph 10.2;**
- (5) The Housing Revenue Account budget for 2026/27 of £58.925m as set out in Appendix 5 and the average increase of 4.8% in social dwelling rents from April 2026, and the move to full cost recovery for landlord cleaning and lighting service;**

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- (6) The allocation of £124.259m Dedicated Schools Grant (DSG) as set out in Appendix 6;
- (7) The General Fund and Housing Revenue Account Capital Programmes totalling £140.858m and £232.141m respectively over the next five years, as set out in Appendices 7a and 7b;
- (8) The Strategy for the use of flexible capital receipts to deliver future transformation and ongoing savings as set out in Appendix 8;
- (9) The Fees and Charges set out in Appendix 9;
- (10) The Equalities Impact Assessment as set out in Appendix 10.

48. CAPITAL STRATEGY 2026/27

The Director of Finance submitted a report setting out for approval at Appendix 1 the Capital Strategy 2026/27.

The report noted that the Chartered Institute of Public Finance and Accountancy' (CIPFA) revised Prudential Code for Capital Finance in Local Authorities 2021 required local authorities to produce a Capital Strategy on an annual basis which must be approved by Council. The Capital Strategy 2026/27 attached to the report at Appendix 1 met the statutory requirements and had been updated where required. There were no material changes from the Capital Strategy 2025/26.

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

Resolved -

- (1) That the Capital Strategy 2026/27, as attached at Appendix 1 to the report, be approved;
- (2) That the updated Action Plan that formed Annex D of the Capital Strategy be noted, together with the associated financial implications.

49. TREASURY MANAGEMENT STRATEGY STATEMENT 2026/27

The Director of Finance submitted a report a report setting out at Appendix 1 the Treasury Management Strategy Statement (TMSS) 2026/27 for approval.

The report noted that the TMSS 2026/27 reflected the Council's Capital Programme 2026/27 – 2028/29 and set out the parameters for the Council's planned treasury activity during 2026/27 under which the Council's Treasury Team would manage day-to-day activity. The report provided information on borrowing, investments, approved investments and counterparties and risk controls and noted that the successful identification, monitoring and control of financial risk were central to the Strategy.

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

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Resolved –

- (1) That the Treasury Management Strategy for 2026/27 be approved as set out in Appendix 1 Section 2 to the report;**
- (2) That the Capital Prudential Indicators be approved as set out in Appendix 1 Section 3 to the report;**
- (3) That the Minimum Revenue Provision (MRP) Policy for 2026/27 be approved as set out in Appendix 1 Section 4 to the report;**
- (4) That the Borrowing Strategy for 2026/27 be approved as set out in Appendix 1 Section 5 to the report;**
- (5) That the Annual Investment Strategy for 2026/27 be approved as set out in Appendix 1 Section 6 to the report;**
- (6) That the Prudential and Treasury Management Indicators be approved as set out in Appendix 1 Annex 1 to the report;**
- (7) That the change to the calculation of apportioning interest to the HRA be noted, as set out in Appendix 1 Sections 6.24 to 6.28.**

50. COUNCIL TAX SETTING 2026/27

The Director of Finance submitted a report seeking approval for the calculations for determining the Council's Council Tax requirement for the year 2026/27 in accordance with the Local Government Finance Act 1992. The report also set out the Council Tax amounts for each property valuation band in the Borough including precepts notified from the Office of the Police & Crime Commissioner for Thames Valley and the Royal Berkshire Fire & Rescue Service.

The report noted that the calculation of Council Tax involved several stages, and the Local Government Finance Act 1992 required figures to be calculated including and excluding precepts. The Council, in accordance with Sections 31 to 36 of the Local Government Finance Act 1992, set its own band D amount by dividing its Council Tax requirement (as set out in Appendix 1 of the report on the 2026/26 Budget - item 47 above refers) by the agreed number of band D equivalent properties (its Tax Base). This calculation was set out in Table 1 in the report. Table 2 showed 2026/27 Council Tax by Property Valuation Band A-G, and Table 3 showed the overall 2026/27 Council Tax by Property Valuation Band Including the Major Preceptors of the Office of the Police & Crime Commissioner for Thames Valley and the Royal Berkshire Fire & Rescue Service.

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

Resolved -

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- (1) That the following amounts that had been calculated for the year 2026/27 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 be agreed:**
 - (a) £532,709,000 Gross Revenue Expenditure being the estimated aggregate expenditure of the Council in accordance with section 31A (2) of the Act;**
 - (b) £398,533,000 Gross Revenue Income being the estimated aggregate income of the Council for the items set out in section 31A (3) of the Act;**
 - (c) £134,176,400 Net Revenue Expenditure being the amount by which the aggregate at (i) above exceeds the aggregate at (ii) above, calculated in accordance with Section 31A (4) of the Act, as the Council's Council Tax Requirement for the year. (Item R in the formula in section 31A (4) of the Act);**
 - (d) £2,223.18 Reading Borough Council band D Council Tax being the amount at (iii) above (Item R) divided by the Council's tax base 60,353.38 (Item T) calculated in accordance with Section 31B (1) of the Act, as the basic amount of its Council Tax for the year, representing an increase of 4.99% in the Council's own tax;**
- (2) That the net tax base of 60,353.38 band D equivalent properties (being the gross tax base adjusted for an assumed collection rate) for 2026/27 as agreed by Council on 27 January 2026 be noted;**
- (3) That it be noted that the band D Council Tax for Reading Borough Council was £2,223.18 as shown in Table 2 of the report;**
- (4) That it be noted that, including the Fire and Police authority precepts; the Overall Council Tax by property valuation band was as set out in Table 3 of the report.**

51. AUDITORS ANNUAL REPORT 2024/25

Further to Minute 20 of Audit & Governance Committee on 20 January 2026, the Director of Finance submitted a covering report on behalf of the Council's External Auditor, KPMG, which had attached their Annual Report, providing a summary of the findings and key issues arising from the 2024/25 audit.

The report had been prepared in line with the requirements set out in the Code of Audit Practice by the National Audit Office and set out a summary of KPMG's conclusions in respect of their audit responsibilities. In relation to the Council's 2024/25 Accounts, KPMG would issue a disclaimed opinion as part of the nationally agreed process to bring audit opinions back up to date. The significant financial statement audit risks identified were valuation of land and buildings, valuation of investment property, management override of controls and valuation of post-retirement benefit obligations, details of which were described in the Auditor's report. There were not any significant inconsistencies between the content of the narrative report and KPMG's knowledge of the Council. In addition, regarding Value

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for Money, the Council was found to have appropriate arrangements in place with no identified significant weaknesses in respect of arrangements to secure economy, efficiency and effectiveness in the use of resources.

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

Resolved –

That the Auditor's Annual Report for 2024/25, as attached to the report, be noted.

52. ANNUAL GOVERNANCE STATEMENT 2024/25

The Monitoring Officer submitted a report setting out for approval at Appendix 1 the Annual Governance Statement 2024/25.

The report noted that Council was responsible for ensuring that financial management was adequate and effective and that the Council had a sound system of internal control, which facilitated the effective exercise of the Council's functions and included arrangements for the management of risk. The Accounts and Audit Regulations required local authorities to prepare and publish an Annual Governance Statement each financial year, to accompany the authority's financial statements. The Annual Governance Statement reflected the latest guidance from CIPFA/SOLACE and was a record of the overall effectiveness of governance arrangements demonstrating how key requirements had been met.

The report explained that the statement covered the period up to the publication of the accounts and sought authority to make any minor amendments that might be needed before then.

The following Motion was moved by Councillor Emberson and seconded by Councillor Terry and CARRIED:

Resolved –

- (1) That the Annual Governance Statement for 2024/25 be approved;**
- (2) That the Director of Legal & Democratic Services be authorised to make minor amendments to the Statement, in consultation with the Leader and Chief Executive, prior to signature by the Leader and Chief Executive.**

53. STATEMENT OF ACCOUNTS 2024/25

The Director of Finance submitted a report setting out at Appendix 1 the Statement of Accounts 2024/25 for approval.

The report noted that the Council was responsible for approving the annual Statement of Accounts. This included placing reliance on the work of the Council's Internal Audit Team, the external auditor KPMG and the work of the Audit and Governance Committee to focus on

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the adequacy of governance, risk and control arrangements that were in place, and that any issues arising were managed and resolved by the Council's senior managers.

The report stated that KPMG was expected to issue a 'disclaimed' audit opinion by the statutory backstop date of 27 February 2026 in line with the Government's approach to recovering from the national backlog in audit opinions. Any adjustments identified during the audit had been corrected, and there were no matters arising from the public inspection period which was now closed.

The report explained that the accounts were disclaimed purely as a result of KPMG having insufficient time to provide assurance on 'unaudited' opening balances and split of reserves before the backstop date. A full audit for 2024/25 had been undertaken and there were no significant issues arising.

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

Resolved –

- (1) That the 2024/25 Statement of Accounts be approved;**
- (2) That the Director of Finance (as S.151 Officer) be authorised to make minor amendments to the 2024/25 Statement of Accounts, in consultation with the Lead Councillor for Corporate Services and Resources.**

(The meeting closed at 9.10 pm)