Audit and Governance Committee

20 January 2026

Reading Borough Council
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Title	Treasury Management Review Quarter 2 2025/26
Purpose of the report	To note the report for information
Report status	Public report
Executive Director/ Statutory Officer Commissioning Report	Darren Carter, Director of Finance
Report author	Anna Barefoot, Capital and Treasury Lead
Lead Councillor	Councillor Emberson, Lead Councillor for Corporate Services and Resources
Corporate priority	Not applicable, but still requires a decision
Recommendations	1. That the Committee notes the content of the Treasury Management Review Quarter 2 report for 2025/26.

1. Executive Summary

1.1. The Council adopted a Treasury Management Strategy and an Annual Investment Strategy for 2025/26 at its meeting on 25th February 2025.

1.2. The purpose of this report is to update Members on the activity of the Treasury Management function during the second quarter of 2025/26 for the period 1st July 2025 to 30th September 2025.

1.3. The Bank of England cut its base interest rate from 4.25% to 4.00% on 7th August 2025 and was held at this rate at the 18th September 2025 meeting.

1.4. Outside of the reporting period, the rate was held at 4.00% in the meeting on 6th November, but cut from 4.00% to 3.75% on 18th December 2025. The next projected cut to bank rate of 0.25% is forecast to occur in April 2026.

1.5. The Council remains significantly under borrowed against its Capital Financing Requirement and is continuing to follow the approved borrowing strategy of deferring any potential long-term borrowing whilst interest rates remain at current levels and is instead utilising short or temporary borrowing from the local authority market as required. No long-term loans (those over one year in duration) have been taken out during the year to date.

1.6. The Council is currently forecasting a positive variance of £1.404m on investment income for the year. Additionally, there is a forecast negative variance of £0.914m on interest payable. These variances were reported to Policy Committee on 17th December 2025 as part of the 2025/26 Quarter 2 Performance and Monitoring Report.

1.7. The Council's Borrowing and Investment portfolios are attached as appendices 2 and 3 to the report.

1.8. The Council continues to operate within all of its treasury indicators, and none have been breached during the year to date.

2. Policy Context

2.1. The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that members be updated on treasury management activities at least quarterly.

2.2. This report facilitates that process providing details of the Council's treasury management activity for the second quarter of 2025/26.

3. Interest Rates

Monetary Policy Committee (MPC) Meetings

3.1. The Bank of England's Monetary Policy Committee (MPC) voted to reduce the Bank Rate by 25 Basis Points (bps) to 4.00% on 7th August 2025. The MPC voted to keep the rate at 4.00% in the meeting on 18th September 2025.

3.2. Outside of the reporting period, there was no change to the base rate in the 6th November meeting. On 18th December 2025 the Bank of England chose to reduce rates from 4.00% to 3.75%. The next forecast rate reduction is in April 2026.

Interest Rate Forecast

3.3. The Council has appointed MUFG Corporate Markets as its treasury management advisors and part of their service is to assist the Council to formulate a view on interest rate forecasts, which are set out in Table 1. The Public Works Loan Board (PWLB) rate forecasts are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1st November 2012.

3.4. The latest interest rate forecast, received on 22nd December 2025, sets out a view that although short term rates are expected to reduce slightly earlier than previously expected, medium and long-dated interest rates will be at higher levels and will reduce at a slower pace. The next rate cut is currently forecast for April 2026.

Table 1. Interest Rate Forecasts

MUFG Corporate Markets Interest Rate View 22.12.25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28	Dec-28	Mar-29
BANK RATE	3.75	3.50	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
3 month ave earnings	3.80	3.50	3.50	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30
6 month ave earnings	3.80	3.50	3.50	3.40	3.30	3.30	3.30	3.40	3.40	3.40	3.40	3.40	3.40
12 month ave earnings	3.90	3.60	3.60	3.50	3.40	3.50	3.50	3.50	3.50	3.50	3.60	3.60	3.60
5 yr PWLB	4.60	4.50	4.30	4.20	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
10 yr PWLB	5.20	5.00	4.90	4.80	4.80	4.70	4.70	4.70	4.70	4.60	4.60	4.60	4.70
25 yr PWLB	5.80	5.70	5.60	5.50	5.50	5.40	5.30	5.30	5.30	5.20	5.20	5.20	5.20
50 yr PWLB	5.60	5.50	5.40	5.30	5.30	5.20	5.10	5.10	5.10	5.00	5.10	5.00	5.00

4. Treasury Management Strategy Statement and Annual Investment Strategy Update

4.1. The Treasury Management Strategy Statement (TMSS) for 2025/26 was approved by Council on 25th February 2025.

4.2. There are no policy changes proposed to the TMSS for 2025/26. This report sets out the Council's position compared to the TMSS considering budgetary changes already approved and revised in-year forecasts of capital expenditure.

5. The Council's Capital Position (Prudential Indicators)

Prudential Indicators for Capital Expenditure

5.1. The Council is required to ensure that all its capital expenditure, investments and borrowing decisions are prudent and sustainable. The prudential indicators for capital expenditure set out whether the Council is delivering within its approved budgets.

5.2. Tables 2 and 3 below show the Council's forecast capital expenditure compared to the Capital Programme agreed in February 2025 (Original Budget) and the Capital Programme as at Quarter 2 (Revised Budget) as approved by Policy Committee as part of the 2025/26 Quarter 2 Performance and Monitoring Report in December 2025.

5.3. The indicators show that the Council is forecasting a positive net variance against the approved Capital Programme budget of £0.211m for the General Fund.

Table 2. General Fund Capital Programme

General Fund	2025/26 Original Budget	2025/26 Revised Budget Q2	2025/26 Full Year Forecast (as at 30th September 2025)	Variance
	£m	£m	£m	£m
Communities & Adult Social Care	8.876	9.875	9.875	0.000
Economic Growth & Neighbourhood Services	41.162	47.682	47.682	0.000
Economic Growth & Neighbourhood Services – Education Schemes	10.139	12.700	12.700	0.000
Resources	3.028	2.992	2.992	0.000
Corporate	3.623	3.505	3.294	(0.211)
Total General Fund	**66.828**	**76.754**	**76.543**	**(0.211)**

5.4. The indicators show that the Council is forecasting to spend to budget against the approved HRA Capital Programme budget of £64.483m.

Table 3. HRA Capital Programme

Housing Revenue Account	2025/26 Original Budget	2025/26 Revised Budget Q2	2025/26 Full Year Forecast (as at 30th September 2025)	Variance
	£m	£m	£m	£m
Housing Revenue Account	90.143	64.483	64.483	0.000
Total Housing Revenue Account	**90.143**	**64.483**	**64.483**	**0.000**

5.5. Further details on significant variances on individual capital schemes are reported to Policy Committee as part of the Quarterly Performance and Monitoring Reports.

Changes to the Financing of the Capital Programme

5.6. Tables 4 and 5 below identify the expected financing arrangements of the Council's capital expenditure plans. The Borrowing Requirement increases the underlying indebtedness of the Council by increasing the Capital Financing Requirement (CFR), although this will be reduced in part by revenue contributions for the repayment of debt (the Minimum Revenue Provision).

Table 4. Financing of the General Fund Capital Programme

General Fund	2025/26 Original Budget	2025/26 Revised Budget Q2	2025/26 Full Year Forecast (as at 30th September 2025)
	£m	£m	£m
Total Capital Expenditure	**66.828**	**76.754**	**76.543**
Financed by:			
Capital Receipts	(3.693)	(5.736)	(5.525)
Capital Grants and other Contributions	(45.076)	(53.016)	(53.016)
Direct Revenue Financing		(0.120)	(0.120)
Total Financing (excluding Borrowing)	**(48.769)**	**(58.872)**	**(58.661)**
Net Borrowing Requirement	**18.059**	**17.882**	**17.882**

Table 5. Financing of the HRA Capital Programme

Housing Revenue Account	2025/26 Original Budget	2025/26 Revised Budget Q2	2025/26 Full Year Forecast (as at 30th September 2025)
	£m	£m	£m
Total Capital Expenditure	**90.143**	**64.483**	**64.483**
Financed by:			
Capital Receipts	(2.849)	(0.595)	(0.595)
Capital Grants and other Contributions	(14.401)	(11.189)	(11.189)
Capital Reserves	(21.730)	(11.999)	(11.999)
Direct Revenue Financing		0.000	0.000
Total Financing (excluding Borrowing)	**(38.980)**	**(23.783)**	**(23.783)**
Net Borrowing Requirement	**51.163**	**40.700**	**40.700**

Changes to the Prudential Indicators for the Capital Financing Requirement (CFR), External Debt and the Operational Boundary

5.7. Table 6 shows the Council's Operational Boundary and Authorised Limit as approved by Council on 25th February 2025. These prudential indicators cannot be amended without approval from full Council.

Table 6. Operational Boundary & Authorised Limit

	£m
Operational Boundary (approved 25th February 2025)	**689.107**
Capital Financing Requirement Forecast (as at 30th September 2025)	**660.624**
Authorised Limit (approved 25th February 2025)	**729.107**
Actual Borrowing (as at 30th September 2025)	**495.704**

5.8. Table 7 shows the Council's CFR, which is its total underlying indebtedness. Whilst the CFR forecast has decreased from £669.107m to £660.624m, due to the revised expenditure and financing forecasts, it remains significantly below the Operational Boundary set by Council in February 2025, therefore, there is no requirement to seek approval to amend the Operational Boundary indicator.

Table 7. Capital Financing Requirement and Actual Borrowing

	2025/26 Original Estimate	2025/26 Full Year Forecast (as at 30th September 2025)	2025/26 Actual Position (Q2)
	£m	£m	£m
Borrowing	540.222	523.500	476.500
Other Long-Term Liabilities	19.204	19.204	19.204
Total Debt	**559.426**	**542.704**	**495.704**
CFR – General Fund	403.015	399.558	399.558
CFR - HRA	266.092	261.066	261.066
CFR - Total	**669.107**	**660.624**	**660.624**
Over/(under) Borrowing	**(109.681)**	**(117.920)**	**(164.920)**

5.9. The Council's current level of external debt, including borrowing and other long-term liabilities, (as at 30th September 2025) is £495.704m, as set out in Table 7 above. The Council is significantly under borrowed compared to the CFR and is operating significantly within its Operational Boundary.

Limits to Borrowing Activity

5.10. Over the medium term, net borrowing (borrowings less investments) should only be for capital purposes. Gross external borrowing should not, except in the short term, exceed the total of the Council's CFR in the preceding year plus the estimates of any additional CFR for 2025/26 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy within the TMSS for borrowing in advance of need which will be adhered to if this proves prudent.

5.11. The Authorised Borrowing Limit is the expected maximum borrowing need with some headroom for unexpected movements. This is a statutory limit determined under section 3 (1) of the Local Government Act 2003 and sets the limit beyond which borrowing is prohibited without Member approval. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. Table 6 above sets out the Authorised Limit. The current level of external debt of £495.704m (as of 30th September 2025) is significantly below the Authorised Limit.

6. Borrowing

6.1. The Council's estimated Capital Financing Requirement (CFR) for 2025/26 as at 30th September 2025 is £660.624m. If the CFR is positive the Council may borrow from the PWLB or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing) to fund capital expenditure. The balance of external and internal borrowing is generally driven by market conditions.

6.2. Table 7 above shows that the Council has external borrowing (including prior year borrowing) of £476.500m and has utilised £164.920m of cash flow funds in lieu of borrowing. This is a prudent and cost-effective approach in the current economic climate but will require ongoing monitoring in respect of the Council's cashflow requirements, long-term borrowing requirement and interest rate increases.

6.3. Due to the overall cashflow position and the underlying need to borrow for capital purposes (the Capital Financing Requirement), new external short-term borrowing totalled £77.000m over the quarter at an average rate of 4.049%. In the main these were taken to replace maturities of existing short-term loans. Loans totalling £50.000m were repaid in this period, and at the end of the quarter the Council's net position of new loans taken was £27.000m. Outside of the reporting period, new loans were taken totalling £53.000m at an average rate of 4.057%

6.4. The Council will have a need to borrow further during the second half of 2025/26 as cash balances are forecast to reduce in the second half of the year. This is primarily because of the repayment of short-term loans and the expected lower revenue in the latter part of the year. The additional borrowing of £53.000m taken outside this reporting period is forecast to complete the borrowing requirement for 2025/26.

6.5. The Council's Borrowing Portfolio is set out at Appendix 2.

7. Debt Rescheduling

7.1. No debt rescheduling (restructuring the terms of any existing loans) took place during Quarter 2 of 2025/26.

8. Compliance with Treasury and Prudential Limits

8.1. During the quarter ended 30th September 2025, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2025/26. The Director of Finance reports that no difficulties are envisaged for the current or future years in complying with these indicators.

8.2. All treasury management operations have also been conducted in full compliance with the Council's Treasury Management Practices.

9. Annual Investment Strategy

9.1. The Treasury Management Strategy Statement (TMSS) for 2025/26, which includes the Annual Investment Strategy, was approved by Council on 25th February 2025. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Council's investment priorities as being:

- Security of capital.
- Liquidity.
- Yield.

9.2. The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity, aligned with the Council's risk appetite. In the current economic climate, over and above keeping investments short-term to cover cash flow needs, there is a benefit to seek out value available in periods up to 12 months with high credit rated financial institutions, using the MUFG Corporate Markets suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.

Creditworthiness

9.3. There have been few changes to credit ratings over the quarter under review. However, officers continue to closely monitor these, and other measures of creditworthiness to ensure that only appropriate counterparties are considered for investment purposes.

Investment Counterparty Criteria

9.4. The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

Investment Balances

9.5. The average level of funds available for investment purposes during the year to 30th September 2025 was £50.673m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and Capital Programme expenditure. These funds have earned an average rate of 4.21% The comparable performance indicator is the 7 days backward looking Sterling Overnight Index Average (SONIA) uncompounded rate, which was 4.19%.

9.6. The current level of treasury investments as of 30th September 2025 total £41.171m and are detailed in Appendix 3.

9.7. The Council also has £15.000m invested in the CCLA Property Fund which is a long-term investment and has received an income of £0.361m over the six-month period to 30th September 2025. The total income return on the fund is 4.80%.

9.8. The Council's budgeted General Fund investment return for 2025/26 was £1.466m; the forecast General Fund interest received from investments as of 30th September 2025 was £2.870m, a £1.404m positive variance compared to budget. This budget includes interest in respect of the loans to the Council's wholly owned companies, which are non-treasury investments and are therefore shown separately throughout this report.

9.9. The position on interest income must be compared with external interest costs payable. The forecast external interest costs as of 30th September 2025 are £9.796m against a budget of £8.882m; a £0.914m negative variance against the General Fund budget. The net General Fund position on interest receivable/payable is therefore a net positive variance of £0.490m. These variances were reported to Policy Committee on 17th December 2025 as part of the 2025/26 Quarter 2 Performance and Monitoring Report.

Approved Limits

9.10. Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the quarter ended 30th September 2025.

9.11. There is no policy changes required to the TMSS. This report sets out the Council's position compared to the TMSS considering the updated economic position, budgetary changes already approved and revised in-year forecasts of capital expenditure.

9.12. A full list of investments held as of 30th September 2025 is set out in Appendix 3.

10. Contribution to Strategic Aims

10.1. Full details of the Council's Corporate Plan and the projects which will deliver these priorities are published on the Council's website. These priorities and the Corporate Plan demonstrate how the Council meets its legal obligation to be efficient, effective, and economical.

10.2. Delivery of the Council's budget is essential to ensuring the Council meets its strategic aims and remains financially sustainable going forward.

11. Environmental and Climate Implications

11.1. The Council's Treasury Management Strategy sets out that the Council will not knowingly invest directly in businesses whose activities and practices pose a risk of serious harm to individuals or groups, or whose activities are inconsistent with the Council's Corporate Plan and values. This would include institutions with material links to:

- human rights abuse (e.g. child labour, political oppression);
- environmentally harmful activities (e.g. pollution, destruction of habitat, fossil fuels);
- socially harmful activities (e.g. tobacco, gambling).

11.2. As part of the review carried out in 2022/23 and approved as part of the Annual Investment Strategy for 2025/26, the Council will only invest in countries deemed as "Free" as per the Freedom House Global Freedom rating system.

11.3. The Council has provided loans totalling £1.712m to Reading Transport Limited to specifically fund improvements to their existing fleet of buses in respect of hybrid fuel conversions which produce lower emissions.

12. Community Engagement

12.1. Budget-related communications and consultations will continue to be a priority over the next three years as we work to identify savings.

13. Equality Implications

13.1. None have been identified as arising directly from this report.

14. Other Relevant Considerations

14.1. There are none.

15. Legal Implications

15.1. None have been identified as arising directly from this report.

16. Financial Implications

16.1. The financial implications are set out in the body of the report.

17. Timetable for Implementation

17.1. Not applicable.

18. Background Papers

18.1. There are none.

Appendices

1. **MUFG Corporate Markets Economics Update**
2. **Borrowing Portfolio as at 30th September 2025**
3. **Investment Portfolio as at 30th September 2025**
4. **Approved Countries for Investments as at 30th September 2025**

Appendix 1 – MUFG Corporate Markets Economics Update

1. The first half of 2025/26 saw:
   - A 0.3% pick up in Gross Domestic Product (GDP) for the period April to June 2025. More recently, the economy flatlined in July, with higher taxes for businesses restraining growth.
   - The 3 month year on year (y/y) rate of average earnings growth excluding bonuses has fallen from 5.5% to 4.8% in July.
   - Core Consumer Price Index (CPI) inflation has ebbed and flowed but finished September at 3.8%, whilst core inflation eased to 3.6%.
   - The Bank of England cut interest rates from 4.50% to 4.25% in May, and then to 4% in August.
   - The 10-year gilt yield fluctuated between 4.4% and 4.8%, ending the half year at 4.70%.

2. From a GDP perspective, the financial year got off to a bumpy start with the 0.3% month on month (m/m) fall in real GDP in April as front-running of US tariffs in Q1 (when GDP grew 0.7% on the quarter) weighed on activity. Despite the underlying reasons for the drop, it was still the first fall since October 2024 and the largest fall since October 2023. However, the economy surprised to the upside in May and June so that quarterly growth ended up 0.3%

3. Looking ahead, ongoing speculation about further tax rises in the Autumn Budget on 26 November will remain a drag on GDP growth for a while yet. GDP growth for 2025 is forecast by Capital Economics to be 1.3%.

4. Turning to retail sales, and the 0.5% m/m rise in volumes in August was the third such rise in a row and was driven by gains in all the major categories except fuel sales, which fell by 2.0% m/m. Sales may have been supported by the warmer-than-usual weather. If sales were just flat in September, then in Q3 sales volumes would be up 0.7% quarter on quarter (q/q) compared to the 0.2% q/q gain in Q2.

5. With the November Budget edging nearer, the public finances position looks weak. Public net sector borrowing of £18.0bn in August means that after five months of the financial year, borrowing is already £11.4bn higher than the Office for Budget Responsibility (OBR) forecast at the Spring Statement in March. The overshoot in the Chancellor's chosen fiscal mandate of the current budget is even greater with a cumulative deficit of £15.3bn. All this was due to both current receipts in August being lower than the OBR forecast (by £1.8bn) and current expenditure being higher (by £1.0bn). Over the first five months of the financial year, current receipts have fallen short by a total of £6.1bn (partly due to lower-than-expected self-assessment income tax) and current expenditure has overshot by a total of £3.7bn (partly due to social benefits and departmental spending). Furthermore, what very much matters now is the OBR forecasts and their impact on the current budget in 2029/30, which is when the Chancellor's fiscal mandate bites. As a general guide, Capital Economics forecasts a deficit of about £18bn, meaning the Chancellor will have to raise £28bn, mostly through higher taxes, if she wants to keep her buffer against her rule of £10bn.

6. The weakening in the jobs market looked clear in the spring. May's 109,000 m/m fall in the Pay As You Earn (PAYE) measure of employment was the largest decline (barring the pandemic) since the data began and the seventh in as many months. Payroll employment has fallen in nine of the ten months since the Chancellor announced the rises in National Insurance Contributions (NICs) for employers and the minimum wage in the October Budget. The number of job vacancies in the three months to August stood at 728,000.

Vacancies have now fallen by approximately 47% since its peak in April 2022. All this suggests the labour market continues to loosen, albeit at a declining pace.

7. A looser labour market is driving softer wage pressures. The 3m y/y rate of average earnings growth excluding bonuses has fallen from 5.5% in April to 4.8% in July. The rate for the private sector slipped from 5.5% to 4.7%, putting it on track to be in line with the Bank of England's Q3 forecast (4.6% for September).

8. CPI inflation fell slightly from 3.5% in April to 3.4% in May, and services inflation dropped from 5.4% to 4.7%, whilst core inflation also softened from 3.8% to 3.5%. More recently, though, inflation pressures have resurfaced, although the recent upward march in CPI inflation did pause for breath in August, with CPI inflation staying at 3.8%. Core inflation eased once more too, from 3.8% to 3.6%, and services inflation dipped from 5.0% to 4.7%. So, we finish the half year in a similar position to where we started, although with food inflation rising to an 18-month high of 5.1% and households' expectations for inflation standing at a six year high, a further loosening in the labour market and weaker wage growth may be a requisite to UK inflation coming in below 2.0% by 2027.

Appendix 2 – Borrowing Portfolio as at 30th September 2025

Class	Type	Start / Purchase Date	Maturity Date	Counterparty	Profile	Rate	Principal O/S (£)
Loan	Temporary Borrowing - Fixed	14/07/25	14/05/26	West Midlands Combined Authority	Maturity	4.000%	30,000,000.00
Loan	Temporary Borrowing - Fixed	16/07/25	27/04/26	West Yorkshire Combined Authority	Maturity	4.100%	15,000,000.00
Loan	Temporary Borrowing - Fixed	31/07/25	30/04/26	Liverpool City Region Combined Authority	Maturity	4.050%	10,000,000.00
Loan	Temporary Borrowing - Fixed	07/08/25	30/04/26	Derry City & Strabane District Council	Maturity	4.000%	2,000,000.00
Loan	Temporary Borrowing - Fixed	14/08/25	14/05/26	Vale of White Horse District Council	Maturity	4.060%	5,000,000.00
Loan	Temporary Borrowing - Fixed	09/09/25	09/03/26	Blackburn with Darwen Borough Council	Maturity	3.900%	5,000,000.00
Temporary Borrowing - Fixed Total						**4.027%**	**67,000,000.00**
Loan	Fixed	17/04/25	17/04/26	PWLB	Maturity	4.270%	50,000,000.00
Loan	Fixed	26/03/18	25/03/68	PWLB	Maturity	2.280%	15,000,000.00
Loan	Fixed	27/09/18	27/09/43	PWLB	Maturity	2.820%	15,000,000.00
Loan	Fixed	27/09/18	27/09/49	PWLB	Maturity	2.790%	15,000,000.00
Loan	Fixed	11/03/19	11/03/66	PWLB	Maturity	2.380%	15,000,000.00
Loan	Fixed	13/03/19	13/03/37	PWLB	Maturity	2.420%	5,000,000.00
Loan	Fixed	13/03/19	13/03/57	PWLB	Maturity	2.420%	5,000,000.00
Loan	Fixed	01/04/19	01/04/64	PWLB	Maturity	2.200%	10,000,000.00
Loan	Fixed	01/10/19	02/10/62	PWLB	Maturity	1.640%	5,000,000.00
Loan	Fixed	01/10/19	01/10/63	PWLB	Maturity	1.630%	5,000,000.00
Loan	Fixed	07/10/19	07/10/66	PWLB	Maturity	1.630%	5,000,000.00
Loan	Fixed	07/10/19	08/10/68	PWLB	Maturity	1.630%	5,000,000.00
Loan	Fixed	11/03/20	25/09/69	PWLB	Maturity	2.070%	15,000,000.00
Loan	Fixed	13/05/05	25/09/51	PWLB	Maturity	4.150%	2,000,000.00
Loan	Fixed	11/01/06	25/09/55	PWLB	Maturity	3.900%	5,000,000.00
Loan	Fixed	23/01/06	25/09/55	PWLB	Maturity	3.700%	5,000,000.00
Loan	Fixed	23/05/06	25/09/47	PWLB	Maturity	4.200%	2,000,000.00
Loan	Fixed	19/07/06	25/03/52	PWLB	Maturity	4.250%	20,000,000.00
Loan	Fixed	20/09/06	25/09/51	PWLB	Maturity	4.200%	5,000,000.00
Loan	Fixed	28/09/06	25/09/52	PWLB	Maturity	4.050%	10,000,000.00
Loan	Fixed	08/03/07	25/03/53	PWLB	Maturity	4.250%	10,000,000.00
Loan	Fixed	08/03/07	25/03/54	PWLB	Maturity	4.250%	10,000,000.00
Loan	Fixed	05/08/08	25/03/58	PWLB	Maturity	4.480%	2,000,000.00
Loan	Fixed	15/08/08	25/09/57	PWLB	Maturity	4.390%	6,000,000.00
Loan	Fixed	02/12/08	25/09/58	PWLB	Maturity	4.120%	10,000,000.00
Loan	Fixed	20/08/09	25/03/59	PWLB	Maturity	4.200%	5,000,000.00
Loan	Fixed	31/08/10	25/03/60	PWLB	Maturity	3.920%	10,000,000.00
Loan	Fixed	14/07/11	25/03/26	PWLB	EIP	3.590%	250,000.00

Loan	Fixed	15/09/11	25/03/31	PWLB	EIP	3.350%	2,750,000.00
Loan	Fixed	28/03/12	25/03/51	PWLB	Maturity	3.530%	12,000,000.00
Loan	Fixed	28/03/12	25/09/26	PWLB	Maturity	2.970%	12,000,000.00
Loan	Fixed	28/03/12	25/03/50	PWLB	Maturity	3.530%	15,000,000.00
Loan	Fixed	28/03/12	25/03/41	PWLB	Maturity	3.490%	15,000,000.00
Loan	Fixed	28/03/12	25/03/61	PWLB	Maturity	3.480%	15,000,000.00
Loan	Fixed	28/03/12	25/03/32	PWLB	Maturity	3.300%	12,000,000.00
Loan	Fixed	28/03/12	25/09/41	PWLB	Maturity	3.490%	15,000,000.00
Loan	Fixed	28/03/12	25/09/51	PWLB	Maturity	3.520%	3,000,000.00
Loan	Fixed	28/03/12	25/03/62	PWLB	Maturity	3.480%	15,000,000.00
Loan	Fixed	28/03/12	25/03/41	PWLB	EIP	2.990%	15,500,000.00
Loan	Fixed	06/12/05	06/12/55	Barclays Bank plc	Maturity	3.990%	5,000,000.00
Fixed Total						**3.379%**	**404,500,000.00**
Loan	LOBO	30/01/08	31/01/78	Dexia	Maturity	4.190%	5,000,000.00
LOBO Total						**4.190%**	**5,000,000.00**
Loan Total						**3.479%**	**476,500,000.00**

Outside the reporting period temporary loans were arranged to start in October 2025, replacing some of the loans maturing in the second half of the year.

Class	Type	Start / Purchase Date	Maturity Date	Counterparty	Profile	Rate	Principal O/S (£)
Loan	Temporary Borrowing - Fixed	29/10/25	29/04/26	Tendring District Council	Maturity	4.000%	3,000,000.00
Loan	Fixed	28/10/25	28/10/26	PWLB	Maturity	4.060%	50,000,000.00
						4.057%	**53,000,000.00**

Appendix 3 - Investment Portfolio as at 30th September 2025

Class	Type	Deal Ref	Start / Purchase Date	Maturity Date	Counterparty	Rate	Principal O/S (£)
Treasury Investments							
Deposit	Fixed	LA Fixed Short Term Loan	26/09/25	26/11/25	Luton Borough Council	4.300%	10,000,000.00
Deposit	MMF	Federated	N/A	N/A	Federated Prime Rate Sterling Liquidity 4	4.280%	14,500,000.00
Deposit	Fixed	CCPF	31/03/15	N/A	CCLA Local Authorities Property Fund	4.800%	15,000,000.00
Deposit	Current A/c	Lloyds	N/A	N/A	Lloyds Bank Plc	1.400%	1,670,832.31
Treasury Investment Total							**41,170,832.31**
Non-Treasury Investments							
Deposit	Fixed	18004BFC	25/03/21	24/03/26	Brighter Futures for Children Ltd	1.810%	5,000,000.00
Deposit	Fixed	17002HFR to 170012HFR	16/04/19	24/03/29	Homes for Reading Ltd	6.350%	5,459,999.00
Deposit	Fixed	17013HFR	16/04/19	24/03/29	Homes for Reading Ltd	3.750%	7,000,000.00
Deposit	Fixed	19008	30/04/19	01/07/27	RTL	5.000%	2,634,378.11
Deposit	Fixed	19009	15/08/19	01/01/29	RTL	5.000%	500,000.00
Deposit	Fixed	18001	08/04/18	01/04/29	RTL	5.000%	490,297.04
Deposit	Fixed	18002	03/06/18	01/07/29	RTL	5.000%	206,749.85
Deposit	Fixed	18003	29/07/18	01/07/29	RTL	5.000%	164,084.05
Deposit	Fixed	18004	20/01/20	01/07/29	RTL	5.000%	150,785.28
Deposit	Fixed	20001	21/08/20	01/07/28	RTL	5.000%	700,000.00
Non-Treasury Investments Total							**22,306,293.33**

*Values above do not include lease agreements with Reading Transport Ltd.

Appendix 4 - Approved Countries for Investments as at 30th September 2025

Based on lowest available rating

AAA
- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Sweden
- Switzerland

AA+
- Canada
- Finland
- U.S.A.

AA-
- Belgium
- France
- U.K.