

Audit and Governance Committee

08 April 2026



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Title	Treasury Management Review Quarter 3 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 3 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 third quarter of 2025/26 for the period 1st October 2025 to 31st December 2025.
- 1.3. The Bank of England held the base interest rate at 4.00% in the meeting on 6th November, but made a cut from 4.00% to 3.75% at the meeting on 18th December 2025.
- 1.4. Outside of the reporting period, the rate was held at 3.75% on 5th February 2026, and again on 19th March 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 £1.443m on investment income for the year. Additionally, there is a forecast adverse variance of £0.464m on interest payable. These variances were reported to Policy Committee on 16th March 2026 as part of the [2025/26 Quarter 3 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 third 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 hold 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%.
- 3.2. Outside of the reporting period, the rate was held at 3.75% on 5th February 2026, and again on 19th March 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 and Public Works Loan Board (PWLB) forecasts.
- 3.4. The most recent interest rate forecast, received on 22nd December 2025, set out a view that short term rates were expected to reduce and at this point in time two base rate cuts were pencilled in for 2026/27.
- 3.5. In light of recent events in the Middle East they have reported that the MPC is assessing the implications for inflation that is likely to result from higher energy costs and other associated costs. At the time of drafting this report, markets are pricing in as many as three base rate hikes during the forthcoming year with the first as early as June 2026.
- 3.6. MUFG will reconsider their interest rate forecast once there is more clarity on events in the Middle East and their potential impact on national and global economies, and the Council's treasury team are monitoring movements in interest rates on a daily basis

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 1 and 2 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 3 (Revised Budget) as approved by Policy Committee as part of the 2025/26 Quarter 3 Performance and Monitoring Report in March 2026.
- 5.3. The indicators show that the Council is forecasting a negative net variance against the approved Capital Programme budget of £(0.247)m for the General Fund.

Table 1. General Fund Capital Programme

General Fund	2025/26 Original Budget	2025/26 Revised Budget Q3	2025/26 Full Year Forecast (as at 31st December 2025)	Variance
	£m	£m	£m	£m
Community & Social Care Services	8.876	7.087	7.087	0.000
Children's Services	0.816	1.698	1.698	0.000
Economic Growth & Neighbourhood Services	41.162	33.926	33.926	0.000
Economic Growth & Neighbourhood Services – Education Schemes	9.323	5.285	5.285	0.000
Resources	3.028	2.305	2.425	0.120
Corporate	3.623	3.505	3.138	(0.367)
Total General Fund	66.828	53.806	53.559	(0.247)

- 5.4. The indicators show that the Council is forecasting to spend to budget against the approved HRA Capital Programme budget of £62.154m.

Table 2. HRA Capital Programme

Housing Revenue Account	2025/26 Original Budget	2025/26 Revised Budget Q3	2025/26 Full Year Forecast (as at 31st December 2025)	Variance
	£m	£m	£m	£m
Housing Revenue Account	90.143	62.154	62.154	0.000
Total Housing Revenue Account	90.143	62.154	62.154	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 3 and 4 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 3. Financing of the General Fund Capital Programme

General Fund	2025/26 Original Budget	2025/26 Revised Budget Q3	2025/26 Full Year Forecast (as at 31st December 2025)
	£m	£m	£m
Total Capital Expenditure	66.828	53.806	53.559
Financed by:			
Capital Receipts	(3.693)	(6.220)	(5.973)
Capital Grants and other Contributions	(45.076)	(35.739)	(35.739)
Direct Revenue Financing		(0.073)	(0.073)
Total Financing (excluding Borrowing)	(48.769)	(42.032)	(41.785)
Net Borrowing Requirement	18.059	11.774	11.774

Table 4. Financing of the HRA Capital Programme

Housing Revenue Account	2025/26 Original Budget	2025/26 Revised Budget Q3	2025/26 Full Year Forecast (as at 31st December 2025)
	£m	£m	£m
Total Capital Expenditure	90.143	62.154	62.154
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)	(9.670)	(9.670)
Direct Revenue Financing		0.000	0.000
Total Financing (excluding Borrowing)	(38.980)	(21.454)	(21.454)
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 5 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 5. Operational Boundary & Authorised Limit

	£m
Operational Boundary (approved 25 th February 2025)	689.107
Capital Financing Requirement Forecast (as at 31 st December 2025)	663.896
Authorised Limit (approved 25 th February 2025)	729.107
Actual Borrowing (as at 31 st December 2025)	529.500

- 5.8. Table 6 shows the Council's CFR, which is its total underlying indebtedness. Whilst the CFR forecast has decreased from £669.107m to £663.896m, 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 6. Capital Financing Requirement and Actual Borrowing

	2025/26 Original Estimate	2025/26 Full Year Forecast (as at 31st December 2025)	2025/26 Actual Position (Q3)
	£m	£m	£m
Borrowing	540.222	518.500	529.500
Other Long-Term Liabilities	19.204	19.204	19.204
Total Debt	559.426	537.704	548.704
CFR – General Fund	403.015	395.191	395.191
CFR - HRA	266.092	268.705	268.705
CFR - Total	669.107	663.896	663.896
Over/(under) Borrowing	(109.681)	(126.192)	(115.192)

- 5.9. The Council's current level of external debt, including borrowing and other long-term liabilities, (as at 31st December 2025) is £548.704m, as set out in Table 6 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 5 above sets out the Authorised Limit. The current level of external debt of £548.704 (as of 31st December 2025) is significantly below the Authorised Limit.

6. Borrowing

- 6.1. The Council's estimated Capital Financing Requirement (CFR) for 2025/26 as at 31st December 2025 is £663.896m. 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 6 above shows that the Council has external borrowing (including prior year borrowing) of £548.704m and has utilised £115.192m 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 £53.000m over the quarter at an average rate of 4.057%.
- 6.4. The additional borrowing of £53.000m taken in this reporting period is forecast to complete the borrowing requirement for 2025/26.
- 6.5. Outside of the reporting period the Council has taken the decision to repay the £5.000m LOBO as it is financially beneficial to do so.
- 6.6. 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 3 of 2025/26.

8. Compliance with Treasury and Prudential Limits

- 8.1. During the quarter ended 31st December 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 31st December 2025 was £60.268m. 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 4.23% The comparable performance indicator is the 7 days backward looking Sterling Overnight Index Average (SONIA) un-compounded rate, which was 4.10%.
- 9.6. The current level of treasury investments as of 31st December 2025 total £81.876m 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 £0.543m over the nine-month period to 31st December 2025. The total income return on the fund is 4.81%.
- 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 31st December 2025 was £2.909m, a £1.443m 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 31st December 2025 are £9.346m against a budget of £8.882m; a £0.464m adverse variance against the General Fund budget. The net General Fund position on interest receivable/payable is therefore a net positive variance of £0.980m. These variances were reported to Policy Committee on 16th March 2026 as part of the [2025/26 Quarter 3 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 31st December 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 31st December 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 Review of Quarter Three**
- 2. Borrowing Portfolio as at 31st December 2025**
- 3. Investment Portfolio as at 31st December 2025**
- 4. Approved Countries for Investments as at 31st December 2025**

Appendix 1 – MUFG Corporate Markets Economics Review of Quarter Three

The third quarter of 2025/26 saw:

- A -0.1% month on month (m/m) change in real Gross Domestic Product (GDP) in October, leaving the economy no bigger than at the start of April.
- The 3 month year on year (y/y) rate of average earnings growth excluding bonuses fall to 4.6% in October, having been as high as 5.5% earlier in the financial year.
- Consumer Price Index (CPI) inflation fall sharply from 3.6% to 3.2% in November, with core CPI inflation easing to 3.2%.
- The Bank of England cut interest rates from 4.00% to 3.75% in December, after holding in November.
- The 10-year gilt yield fluctuate between 4.4% and 4.7%, ending the quarter at 4.5%.

From a GDP perspective, the financial year got off to a bumpy start with the 0.3% 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% quarter on quarter (q/q) which was subsequently revised down to 0.2% q/q. Nonetheless, the 0.0% m/m change in real GDP in July, followed by a 0.1% m/m increase in August and a 0.1% decrease in September will have caused some concern (0.1% q/q). October's disappointing -0.1% m/m change in real GDP suggests that growth slowed to around 1.4% in 2025 as a whole.

Sticking with future economic sentiment, the composite Purchasing Manager Index (PMI) for the UK rose from 51.2 in November to 52.1 in December, suggesting the economy may be benefitting somewhat from pre-Budget uncertainty fading. This may also reflect a diminishing drag from weak overseas demand. While the services PMI rose from 51.3 to 52.1, the improvement in the manufacturing output balance from 50.3 to 51.8 was larger. Indeed, the manufacturing sector has been more exposed to the recent weakness of external demand and has lagged the services sector since the end of last year.

Turning to retail sales volumes, and the 1.5% year-on-year rise in September, accelerating from a 0.7% increase in August, marked the highest gain since April. Nonetheless, the 0.1% m/m fall in retail sales volumes in November built on the 0.9% m/m drop in October, suggesting the longer-lasting effects of weak employment and slowing wage growth are impacting. Moreover, the decline in the Growth from Knowledge (GfK) measure of consumer confidence from -17 in October to -19 in November suggests that consumers are not that optimistic at present.

Prior to the November Budget, the public finances position looked weak. The £20.2 billion borrowed in September was slightly above the £20.1 billion forecast by the Office for Budget Responsibility (OBR). For the year to date, the £99.8 billion borrowed is the second highest for the April to September period since records began in 1993, surpassed only by borrowing during the COVID-19 pandemic. The main drivers of the increased borrowing were higher debt interest costs, rising government running costs, and increased inflation-linked benefit payments, which outweighed the rise in tax and National Insurance contributions.

A looser labour market is driving softer wage pressures. The 3myy growth rate of average earnings including bonuses eased from 4.9% in September to 4.7% in October. And excluding bonuses, the 3myy rate slowed from 4.7% to 4.6%. Regular private sector pay growth continued to slow from 4.2% to 3.9%. That left it broadly on track to meet the Bank's end of December prediction of 3.5%.

The weakening in the jobs market looked clear in the spring. May's 109,000 m/m fall in the PAYE measure of employment was the largest decline (barring the pandemic) since the data began and the seventh in as many months. The monthly change was revised lower in five of the previous seven months too, with April's 33,000 fall revised down to a 55,000 drop. More recently, however, the monthly change was revised higher in seven of the previous nine months by a total of 22,000. So instead of falling by 165,000 in total since October, payroll employment is now thought to have declined by a smaller 153,000. Even so, payroll employment has still 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.

CPI inflation fell sharply in November, easing from 3.6% in October to 3.2%. This was the third consecutive softer-than-expected inflation outturn and suggests that disinflation is well underway. There was a widespread easing in price pressures with inflation slowing in 10 of the 12 main categories. Core inflation fell from 3.4% to 3.2% and services inflation dipped from 4.5% to 4.4%. However, a great deal will depend on the adjustments to regulated and indexed prices scheduled for next April. Capital Economics forecast CPI inflation to drop from 3.2% in March to 2.0% in April, thereby leaving inflation on track to settle at the 2.0% target, or below, by the end of 2026.

Appendix 2 – Borrowing Portfolio as at 31st December 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	29/10/25	29/04/26	Tendring District Council	Maturity	4.000%	3,000,000.00
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						4.026%	70,000,000.00
Loan	Fixed	17/04/25	17/04/26	PWLB	Maturity	4.270%	50,000,000.00
Loan	Fixed	28/10/25	28/10/26	PWLB	Maturity	4.060%	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						3.454%	454,500,000.00
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						3.537%	529,500,000.00

Appendix 3 - Investment Portfolio as at 31st December 2025

Class	Type	Deal Ref	Start / Purchase Date	Maturity Date	Counterparty	Rate	Principal O/S (£)
Treasury Investments							
Deposit	Fixed	LA Fixed Short Term Loan	30/10/25	19/02/26	Surrey County Council	4.350%	10,000,000.00
Deposit	Fixed	LA Fixed Short Term Loan	31/10/25	27/02/26	Suffolk County Council	4.400%	5,000,000.00
Deposit	Fixed	LA Fixed Short Term Loan	30/10/25	19/03/26	South Lanarkshire Council	4.300%	5,000,000.00
Deposit	Fixed	LA Fixed Short Term Loan	12/11/25	19/02/26	Telford and Wrekin Borough Council	4.300%	10,000,000.00
Deposit	Fixed	LA Fixed Short Term Loan	06/11/25	19/01/26	Cornwall Council	4.300%	10,000,000.00
Deposit	Fixed	LA Fixed Short Term Loan	06/11/25	26/01/26	Cornwall Council	4.300%	5,000,000.00
Deposit	MMF	Federated	N/A	N/A	Federated Prime Rate Sterling Liquidity 4	3.920%	16,500,000.00
Deposit	MMF	Aberdeen	N/A	N/A	SLI Sterling Liquidity/CI 2	3.910%	5,050,000.00
Deposit	Fixed Current	CCPF	31/03/15	N/A	CCLA Local Authorities Property Fund	4.800%	15,000,000.00
Deposit	A/c	Lloyds	N/A	N/A	Lloyds Bank Plc	1.400%	325,832.31
Treasury Investment Total							81,875,832.31
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 170013HFR	16/04/19	24/03/29	Homes for Reading Ltd	6.350%	11,274,999.00
Deposit	Fixed	19008	30/04/19	30/04/29	RTL	5.000%	2,264,095.35
Deposit	Fixed	19009	15/08/19	30/07/29	RTL	5.000%	500,000.00
Deposit	Fixed	18001	08/04/18	01/07/23	RTL	5.000%	490,297.04
Deposit	Fixed	18002	03/06/18	01/07/23	RTL	5.000%	206,749.85
Deposit	Fixed	18003	29/07/18	01/07/23	RTL	5.000%	164,084.05
Deposit	Fixed	18004	20/01/20	01/01/24	RTL	5.000%	150,785.28
Deposit	Fixed	20001	21/08/20	01/10/24	RTL	5.000%	700,000.00
Non-Treasury Investments Total							20,751,010.57
Total Investments							102,626,842.88

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

Appendix 4 - Approved Countries for Investments as at 31st December 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.