# Audit and Governance Committee

## 15 July 2026

| Title | Annual Treasury Management Review 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** (name & job title) | Anna Barefoot, Capital and Treasury Lead |
| **Lead Councillor** (name & title) | Councillor McEwan, 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 Annual Treasury Management Review 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 Treasury Management Strategy requires an Annual Outturn Report reviewing the Treasury Management activity which took place during the year. This report addresses that requirement covering the period from 1st April 2025 to 31st March 2026.

1.3. At the start of 2025/26 The Bank of England base interest rate sat at 4.50%. As has been reported through the quarterly review reports, the bank rate was cut to 3.75% by the end of Quarter 3 and has since been held at this level.

1.4. The Council remains significantly under borrowed against its Capital Financing Requirement and followed the approved borrowing strategy of deferring any potential long-term borrowing whilst interest rates remain at current levels and instead utilised short or temporary borrowing from the local authority market as required. No long-term loans (those over one year in duration) were taken out during the year. During 2025/26 the Council took out short-term loans (1 year or less in duration) of £245.000m (from other local authorities and the Public Loans Work Board (PWLB)) at an average interest rate of 4.21%.

1.5. Overall, the Council was under borrowed by £139.028m as at 31st March 2026. As a consequence, the Council has effectively avoided the requirement to budget for and incur external interest costs in the order of £5.172m during 2025/26, based on the average rate for the existing debt portfolio of 3.72%.

1.6. Against the 2025/26 General Fund budget there was an overall positive net variance of £1.589m on the Capital Financing budget as reported in the 2025/26 Quarter 4 Performance report to Policy Committee on 13st July 2026. This budget includes interest payable, interest receivable and Minimum Revenue Provision (MRP); a charge to the revenue budget made in respect of paying off the principal sum of the borrowing undertaken to finance the Capital Programme.

1.7. The Council did not breach any of its treasury management performance indicators during 2025/26.

## 2. Policy Context

2.1. The Council is required by regulations issued under the Local Government Act 2003 to review and report on its treasury management activity and achievement against its prudential and treasury indicators on an annual basis. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

2.2. The regulatory environment places responsibility on Members for the review and scrutiny of the Council's Treasury Management Policy and activities. This report facilitates that process providing details of the Council's 2025/26 treasury management activity.

2.3. Member training on treasury management issues was offered to, and undertaken by, Audit & Governance Committee Members on 20th January 2026 to support members' scrutiny role in advance of the 2025/26 financial year.

## 3. Capital Expenditure and Financing

3.1. The Council undertakes capital expenditure on long-term assets. This expenditure may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which have no impact on the Council's borrowing need; or

- Financed by borrowing. This is funded either through actual external borrowing for example from the Public Works Loan Board (PWLB) or through internal borrowing from the Council's own cash resources.

3.2. Tables 1 & 2 below show the Council's actual capital expenditure and how this was financed. Please note the tables do not include adjustments to Right of Use and Private Finance Initiative Assets under IFRS16 which have been included in the annual Statement of Accounts.

**Table 1. Capital Expenditure and Financing – General Fund**

| **General Fund** | **2024/25 Actual (£m)** | **2025/26 Original Budget (£m)** | **2025/26 Actual (£m)** |
|---|---|---|---|
| **Capital Expenditure** | **56.754** | **66.828** | **46.305** |
| **Financed by:** | | | |
| Capital Receipts | (6.596) | (3.693) | (4.476) |
| Government Grants and Other Contributions | (44.206) | (45.076) | (32.868) |
| Direct Revenue Financing | (0.069) | 0.000 | (0.113) |
| **Net Financing Requirement** | **5.883** | **18.059** | **8.848** |

**Table 2. Capital Expenditure and Financing – Housing Revenue Account (HRA)**

| HRA | 2024/25 Actual (£m) | 2025/26 Original Budget (£m) | 2025/26 Actual (£m) |
|---|---|---|---|
| **Capital Expenditure** | **28.235** | **90.143** | **45.699** |
| **Financed by:** | | | |
| Capital Receipts | (0.394) | (2.849) | (0.203) |
| Government Grants and Other Contributions | (5.408) | (14.401) | (1.771) |
| Direct Revenue Financing | (0.158) | 0.000 | 0.000 |
| Capital Reserves | (13.116) | (21.730) | (6.306) |
| **Net Financing Requirement** | **9.159** | **51.163** | **37.419** |

## 4. The Council's Borrowing Need

4.1. The Council's underlying need to borrow, or net borrowing requirement is termed the Capital Financing Requirement (CFR).

4.2. In order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2024/25) plus the estimate of any additional capital financing requirement for the current (2025/26) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. Table 3 below highlights the Council's gross borrowing position against the CFR for 2025/26. The Council has complied with this prudential indicator.

4.3. The Council's (non HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the non-Housing Revenue Account (HRA) borrowing need, (there is no statutory requirement to reduce the HRA CFR). This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

4.4. The total CFR can also be reduced by:

- the application of additional capital financing resources, (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

4.5. The Council's 2025/26 MRP Policy, (as required by Ministry of Housing, Communities, and Local Government (MHCLG) (formerly known as Department for Levelling Up, Housing and Communities (DLUHC)) MRP Guidance), was approved as part of the Treasury Management Strategy Report for 2025/26 on 25th February 2025.

**Table 3. Gross Borrowing and the Capital Financing Requirement (CFR)**

| General Fund & HRA | 31st March 2025 Actual (£m) | 2025/26 Estimate (£m) | 31st March 2026 Actual (£m) |
|---|---|---|---|
| Gross Borrowing Position | 478.000 | 540.222 | 518.500 |
| PFI long term liabilities (Revenue & Capital | 30.334 | 28.215 | 28.215 |
| **Total Gross Borrowing** | **508.334** | **568.437** | **546.715** |
| CFR – General Fund | 407.705 | 403.015 | 392.207 |
| CFR - HRA | 229.557 | 266.092 | 265.321 |
| **Total CFR** | **637.262** | **669.107** | **657.528** |
| **(Under)/Over Funding of the CFR** | (128.928) | (100.670) | (110.813) |
| **(Under)/Over Borrowing (exc PFI)** | (159.262) | (128.885) | (139.028) |

4.6. The movement in gross borrowing in 2025/26 is explained in paragraphs 5.3-5.5.

4.7. The 2025/26 prudential indicators for gross borrowing were set as part of the Treasury Management Strategy report to Council on 25th February 2025. The Council's performance against these indicators is set out below; neither the Authorised Limit nor the Operational Boundary were breached in 2025/26:

**Table 4. Gross Borrowing v Operational Boundary and Authorised Limit**

| Authorised Limit (£m) | Operational Boundary (£m) | Maximum Gross Borrowing Position During the Year (£m) | Average Gross Borrowing Position (£m) |
|---|---|---|---|
| **729.107** | **689.107** | **529.500** | **499.245** |

4.8. Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs net of investment income), against the net revenue budget. This indicator for 2025/26 for the General Fund and the HRA was set at 10.75%. The actual performance against this indicator for 2025/26 was 9.76% which reflects the reported positive net variance on the General Fund and HRA revenue Capital Financing budgets reported at Outturn.

## 5. Debt and Investment Portfolio

5.1. The Council's treasury management debt and investment position is managed by the Treasury Management Team to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through Member reporting to Audit and Governance Committee and through officer activity detailed in the Council's Treasury Management Practices.

### Outturn Position

5.2. At the end of 2025/26 the Council's treasury position (excluding borrowing by Public Finance Initiatives (PFIs) and finance leases) was as follows:

**Table 5. Treasury Position as at 31st March**

| General Fund & HRA | 31st March 2025 | | | 31st March 2026 | | |
|---|---|---|---|---|---|---|
| **Debt Portfolio** | **Principal (£m)** | **Average Rate %** | **Average Life Remaining Years** | **Principal (£m)** | **Average Rate %** | **Average Life Remaining Years** |
| **Fixed Rate Loans** | | | | | | |
| PWLB | 350.500 | 3.28% | 28 | 448.500 | 3.14% | 26 |
| Market Fixed Rate | 5.000 | 3.99% | 31 | 5.000 | 3.99% | 30 |
| Market LOBO | 5.000 | 4.19% | 53 | 0.000 | N/A | N/A |
| Short Term Local Authority Loans | 117.500 | 4.98% | 0 | 65.000 | 4.04% | 0 |
| **Total Debt** | **478.000** | **4.12%** | **23** | **518.500** | **3.72%** | **19** |
| | | | | | | |
| Treasury Investments | 49.073 | 3.96% | | 30.068 | 4.12% | |
| Non-Treasury Investments | 30.092 | 4.69% | | 12.401 | 5.01% | |
| **Total Investments** | **79.164** | **4.48%** | | **42.469** | **4.69%** | |
| | | | | | | |
| **Net Debt** | **398.836** | | | **476.031** | | |

**Borrowing**

5.3. During 2025/26 short-term loans totalling £245.000m were arranged. No long-term loans were taken out during the year. The borrowing portfolio as at 31 March 2026 is detailed in full at Appendix 1.

5.4. During 2025/26 principal repayments totalling £204.500m were made. This consists of £2.000m PWLB long-term loans, £197.500m of Short Term Local Authority Loans, and a £5.000m LOBO long term loan.

5.5. The net change in the gross borrowing position between 31st March 2025 and 31st March 2026 was therefore a net increase of £40.500m.

**Borrowing in Advance of Need**

5.6. The Council has not borrowed more than, or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

**Debt Rescheduling**

5.7. No rescheduling (restructuring the terms of any existing loans) took place during 2025/26.

5.8. Whilst debt rescheduling has not taken place, the LOBO loan repaid during 2025/26 was repaid early to benefit from savings on the Council's Capital Financing budgets over future years. At the current time no further long-term external loans have been taken to replace the one repaid.

5.9. The maturity structure of the debt portfolio as at 31st March 2026 is set out in Table 6 below. The limits are set to control the Council's exposure to refinancing risk.

**Table 6. Maturity Structure of the Debt Portfolio (Fixed Interest rate debt)**

| General Fund & HRA | 31st March 2025 Actual (£m) | 2025/26 Upper Limit | 2025/26 Lower Limit | 31st March 2026 Actual (£m) | 2025/26 Actual |
|---|---|---|---|---|---|
| Under 12 months | **119.500** | **100%** | **0%** | **178.500** | **34.43%** |
| 12 months and within 2 years | **13.500** | **20%** | **0%** | **1.500** | **0.29%** |
| 2 years and within 5 years | **4.500** | **20%** | **0%** | **4.500** | **0.87%** |
| 5 years and within 10 years | **17.500** | **30%** | **0%** | **17.000** | **3.28%** |
| 10 years and within 20 years | **56.000** | **40%** | **0%** | **55.000** | **10.61%** |
| 20 years and within 30 years | **104.000** | **50%** | **0%** | **119.000** | **22.95%** |
| 30 years and within 40 years | **103.000** | **60%** | **0%** | **103.000** | **19.86%** |
| Over 40 years | **60.000** | **60%** | **0%** | **40.000** | **7.71%** |
| Total | **478.000** | | | **518.500** | |

**Investments**

5.10. The Council's Investment Policy is informed by the MHCLG's Guidance on Local Government Investments, which was incorporated into the Annual Investment Strategy approved by the Council on 25th February 2025. This Policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data.

5.11. The investment activity during the year conformed to the approved Annual Investment Strategy, and the Council had no liquidity difficulties.

5.12. Treasury investments, including property funds, earned an average rate of 4.75% during 2025/26 (this rate covers investments throughout 2025/26 as opposed to table 5 which shows the position as at 31.03.26). The comparable performance indicator is the 7 days backward looking Sterling Overnight Index Average (SONIA) uncompounded rate, which was 4.02%.

5.13. The Council's budgeted General Fund investment return for 2025/26 was £1.466m; the actual General Fund interest received from investments in 2025/26 was £3.008 million, a £1.542 million positive variance compared to budget. This budget includes loans to the Council's wholly owned companies, which are non-treasury investments and are therefore shown separately throughout this report.

5.14. The position on interest income must be compared with external interest costs payable. The Council paid General Fund external interest costs of £9.409m against a budget of £8.882m; a £0.527m negative variance against the General Fund budget. The net General Fund position on interest receivable/payable is therefore a net positive variance of £1.015m. This has been accounted for in the overall revenue General Fund outturn position for 2025/26.

5.15. The Council's investment position as at 31st March 2026 is detailed at Appendix 2 and is summarised as follows:

**Table 7. Investment Portfolio**

| | 31st March 2025 (£m) | 31st March 2025 (%) | 31st March 2026 (£m) | 31st March 2026 (%) |
|---|---|---|---|---|
| **Treasury Investments** | | | | |
| Banks | 0.423 | 0.86% | 1.018 | 3.39% |
| Money Market Funds (MMF) | 33.650 | 68.57% | 4.050 | 13.47% |
| Local Authorities | 0.000 | 0.00% | 10.000 | 33.26% |
| **Total Managed In-house** | **34.073** | **69.43%** | **15.068** | **50.11%** |
| Property Funds | 15.000 | 30.57% | 15.000 | 49.89% |
| **Total Managed Externally** | **15.000** | **30.57%** | **15.000** | **49.89%** |
| **Total Treasury Investments** | **49.073** | **100.00%** | **30.068** | **100.00%** |
| **Non-Treasury Investments** | | | | |
| Companies | 30.092 | 100.00% | 12.401 | 100.00% |
| **Total Non-Treasury Investments** | **30.092** | **100.00%** | **12.401** | **100.00%** |
| Treasury Investments | 49.073 | 62.00% | 30.068 | 71.00% |
| Non-Treasury Investments | 30.092 | 38.00% | 12.401 | 29.00% |
| **Total – All Investments** | **79.164** | **100.00%** | **42.469** | **100.00%** |

5.16. The maturity structure of the investment portfolio as at 31st March was as follows:

**Table 8. Maturity Structure of the Investment Portfolio (Treasury Investments)**

| | 31st March 2025 (£m) | 31st March 2026 (£m) |
|---|---|---|
| Up to 1 year | 34.073 | 15.068 |
| Longer than 1 year | 45.092 | 27.401 |
| **Total** | 79.164 | 42.469 |

*Property Funds do not have a fixed maturity; the Council is required to give a notice period if intends to sell its investment however there would be no guaranteed time scale for the realisation of that sale.

## 6. Treasury Management Strategy 2025/26

### Investment Strategy and Control of Interest Rate Risk

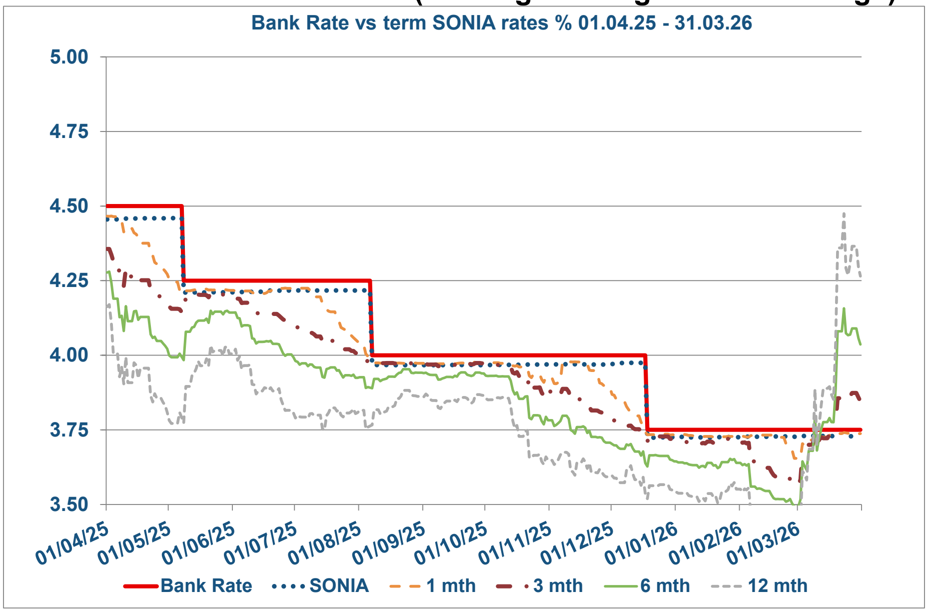
6.1. Investment returns remained robust throughout 2025/26 despite Bank Rate reducing steadily through the course of the financial year (three 0.25% rate cuts in total), and at the end of March the yield curve had turned positive, reflecting inflation concerns emanating from the on-going conflict in the Middle East..

6.2. Bank Rate reductions of 0.25% occurred in May, August and December, bringing the headline rate down from 4.50% to 3.75%. Two of the Bank Rate cuts occurred in the same month as the Bank of England publishes its Quarterly Monetary Policy Report, therein providing a clarity over the timing of potential future rate cuts.

6.3. The Council did not add to its long-term investment portfolio in 2025/26, as the levels of surplus cash were relatively low in year due to its strategy of using cash funds and temporary borrowing to fund the Capital Programme ahead of taking out additional long-term external borrowing. Any surplus cash was invested on a short-term basis to ensure that it was accessible for in-year cash flow requirements.

6.4. The following graph illustrates the interest rate trend throughout 2025/26:

**Chart 1. Bank Rate vs SONIA (Sterling Overnight Index Average) 2025/26**




**Borrowing Strategy and Control of Interest Rate Risk**

6.5. As set out above, during 2025/26 the Council maintained an under-borrowed position, i.e. the capital borrowing need (the Capital Financing Requirement) was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow were used on an interim basis. This strategy was prudent as near-term investment rates have generally been lower than medium to long-term borrowing costs.

6.6. The Authority has sought to minimise the taking on of long-term borrowing at elevated levels and has focused on a policy of internal and temporary borrowing.

6.7. Interest rate forecasts initially suggested gradual reductions in short, medium and longer-term fixed borrowing rates during 2025/26. Bank Rate did reduce to 3.75% as anticipated, but the initial expectation of significant rate reductions across the whole curve did not transpire, primarily because inflation concerns were very elevated in March 2026.

## 7. Other

**IFRS 9 Fair Value of Investments**

7.1. Following the consultation undertaken by the Ministry of Housing, Communities and Local Government on International Financial Reporting Standard 9 (IFRS 9), the Government extended the statutory override requiring local authorities to reverse out all unrealised fair value movements resulting from pooled investment funds to 31st March 2029, with the exception of any new pooled investments taken out from 1st April 2024. Local authorities are required to disclose the net impact of the unrealised fair value movements in a separate unusable reserve throughout the duration of the override in order for the Government to keep the override under review and to maintain a form of transparency.

7.2. In 2025/26, the Council's net unrealised loss relating to the CCLA Property Fund investment was £0.001m, reducing the total unrealised net loss since purchase to £0.839m.

## 8. Contribution to Strategic Aims

8.1. 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.

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

## 9. Environmental and Climate Implications

9.1. 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).

9.2. As part of the review carried out in 2022/23 and approved as part of the Annual Investment Strategy for 2023/24, the Council will only invest in countries deemed as "Free" as per the Freedom House Global Freedom rating system.

9.3. 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.

## 10. Community Engagement

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

## 11. Equality Implications

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

## 12. Other Relevant Considerations

12.1. There are none.

## 13. Legal Implications

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

## 14. Financial Implications

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

## 15. Timetable for Implementation

15.1. Not applicable.

## 16. Background Papers

16.1. There are none.

**Appendices**

1. **Borrowing Portfolio as at 31st March 2026**
2. **Investment Portfolio as at 31st March 2026**
3. **Approved Countries for Investments as at 31st March 2026**

## Appendix 1 - Borrowing Portfolio as at 31st March 2026

| Class | Type | Start / Purchase Date | Maturity Date | Counterparty | Profile | Rate | Principal O/S (£) |
|---|---|---|---|---|---|---|---|
| Loan | Fixed | 13/05/05 | 25/09/51 | PWLB | Maturity | 4.1500% | 2,000,000.00 |
| Loan | Fixed | 11/01/06 | 25/09/55 | PWLB | Maturity | 3.9000% | 5,000,000.00 |
| Loan | Fixed | 23/01/06 | 25/09/55 | PWLB | Maturity | 3.7000% | 5,000,000.00 |
| Loan | Fixed | 23/05/06 | 25/09/47 | PWLB | Maturity | 4.2000% | 2,000,000.00 |
| Loan | Fixed | 19/07/06 | 25/03/52 | PWLB | Maturity | 4.2500% | 20,000,000.00 |
| Loan | Fixed | 20/09/06 | 25/09/51 | PWLB | Maturity | 4.2000% | 5,000,000.00 |
| Loan | Fixed | 28/09/06 | 25/09/52 | PWLB | Maturity | 4.0500% | 10,000,000.00 |
| Loan | Fixed | 08/03/07 | 25/03/53 | PWLB | Maturity | 4.2500% | 10,000,000.00 |
| Loan | Fixed | 08/03/07 | 25/03/54 | PWLB | Maturity | 4.2500% | 10,000,000.00 |
| Loan | Fixed | 05/08/08 | 25/03/58 | PWLB | Maturity | 4.4800% | 2,000,000.00 |
| Loan | Fixed | 15/08/08 | 25/09/57 | PWLB | Maturity | 4.3900% | 6,000,000.00 |
| Loan | Fixed | 02/12/08 | 25/09/58 | PWLB | Maturity | 4.1200% | 10,000,000.00 |
| Loan | Fixed | 20/08/09 | 25/03/59 | PWLB | Maturity | 4.2000% | 5,000,000.00 |
| Loan | Fixed | 31/08/10 | 25/03/60 | PWLB | Maturity | 3.9200% | 10,000,000.00 |
| Loan | Fixed | 15/09/11 | 25/03/31 | PWLB | EIP | 3.3500% | 2,500,000.00 |
| Loan | Fixed | 28/03/12 | 25/03/51 | PWLB | Maturity | 3.5300% | 12,000,000.00 |
| Loan | Fixed | 28/03/12 | 25/09/26 | PWLB | Maturity | 2.9700% | 12,000,000.00 |
| Loan | Fixed | 28/03/12 | 25/03/50 | PWLB | Maturity | 3.5300% | 15,000,000.00 |
| Loan | Fixed | 28/03/12 | 25/03/41 | PWLB | Maturity | 3.4900% | 15,000,000.00 |
| Loan | Fixed | 28/03/12 | 25/03/61 | PWLB | Maturity | 3.4800% | 15,000,000.00 |
| Loan | Fixed | 28/03/12 | 25/03/32 | PWLB | Maturity | 3.3000% | 12,000,000.00 |
| Loan | Fixed | 28/03/12 | 25/09/41 | PWLB | Maturity | 3.4900% | 15,000,000.00 |
| Loan | Fixed | 28/03/12 | 25/09/51 | PWLB | Maturity | 3.5200% | 3,000,000.00 |
| Loan | Fixed | 28/03/12 | 25/03/62 | PWLB | Maturity | 3.4800% | 15,000,000.00 |
| Loan | Fixed | 28/03/12 | 25/03/41 | PWLB | EIP | 2.9900% | 15,000,000.00 |
| Loan | Fixed | 17/04/25 | 17/04/26 | PWLB | Maturity | 4.2700% | 50,000,000.00 |
| Loan | Fixed | 28/10/25 | 28/10/26 | PWLB | Maturity | 4.0600% | 50,000,000.00 |
| Loan | Fixed | 26/03/18 | 25/03/68 | PWLB | Maturity | 2.2800% | 15,000,000.00 |
| Loan | Fixed | 27/09/18 | 27/09/43 | PWLB | Maturity | 2.8200% | 15,000,000.00 |
| Loan | Fixed | 27/09/18 | 27/09/49 | PWLB | Maturity | 2.7900% | 15,000,000.00 |
| Loan | Fixed | 11/03/19 | 11/03/66 | PWLB | Maturity | 2.3800% | 15,000,000.00 |
| Loan | Fixed | 13/03/19 | 13/03/37 | PWLB | Maturity | 2.4200% | 5,000,000.00 |
| Loan | Fixed | 13/03/19 | 13/03/57 | PWLB | Maturity | 2.4200% | 5,000,000.00 |
| Loan | Fixed | 01/04/19 | 01/04/64 | PWLB | Maturity | 2.2000% | 10,000,000.00 |
| Loan | Fixed | 01/10/19 | 02/10/62 | PWLB | Maturity | 1.6400% | 5,000,000.00 |
| Loan | Fixed | 01/10/19 | 01/10/63 | PWLB | Maturity | 1.6300% | 5,000,000.00 |
| Loan | Fixed | 07/10/19 | 07/10/66 | PWLB | Maturity | 1.6300% | 5,000,000.00 |
| Loan | Fixed | 07/10/19 | 08/10/68 | PWLB | Maturity | 1.6300% | 5,000,000.00 |
| Loan | Fixed | 11/03/20 | 25/09/69 | PWLB | Maturity | 2.0700% | 15,000,000.00 |
| Loan | Fixed | 06/12/05 | 06/12/55 | Barclays Bank plc | Maturity | 3.9900% | 5,000,000.00 |
| **Fixed Total** | | | | | | **3.4550%** | **453,500,000.00** |
| Loan | Temporary Borrowing - Fixed | 14/07/25 | 14/05/26 | West Midlands Combined Authority | Maturity | 4.0000% | 30,000,000.00 |
| Loan | Temporary Borrowing - Fixed | 16/07/25 | 27/04/26 | West Yorkshire Combined Authority | Maturity | 4.1000% | 15,000,000.00 |
| Loan | Temporary Borrowing - Fixed | 31/07/25 | 30/04/26 | Liverpool City Region Combined Authority | Maturity | 4.0500% | 10,000,000.00 |
| Loan | Temporary Borrowing - Fixed | 07/08/25 | 30/04/26 | Derry City & Strabane District Council | Maturity | 4.0000% | 2,000,000.00 |
| Loan | Temporary Borrowing - Fixed | 14/08/25 | 14/05/26 | Vale of White Horse District Council | Maturity | 4.0600% | 5,000,000.00 |
| Loan | Temporary Borrowing - Fixed | 29/10/25 | 29/04/26 | Tendring District Council | Maturity | 4.0000% | 3,000,000.00 |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Temporary Borrowing - Fixed Total** | | | | | **4.0354%** | **65,000,000.00** |
| **Loan Total** | | | | | **3.5276%** | **518,500,000.00** |

## Appendix 2 - Investment Portfolio as at 31st March 2026

| Class | Type | Start / Purchase Date | Maturity Date | Original Maturity Date | Counterparty | Rate | Principal O/S (£) |
|---|---|---|---|---|---|---|---|
| **Treasury Investments** | | | | | | | |
| Deposit | Current Account | N/A | N/A | | Lloyds Bank Plc | 1.25% | 1,018,396.93 |
| Deposit | Fixed | 25/03/26 | 17/04/26 | | Central Bedfordshire Council | 7.00% | 10,000,000.00 |
| Deposit | MMF | N/A | | | SLI Sterling Liquidity/Cl 2 | 3.77% | 700,000.00 |
| Deposit | MMF | N/A | | | Federated Prime Rate Sterling Liquidity 4 | 3.78% | 3,350,000.00 |
| Deposit | Property Fund | 30/03/15 | N/A | | CCLA Property Fund | 4.70% | 15,000,000.00 |
| **Treasury Investments Total** | | | | | | **5.23%** | **30,068,396.93** |
| **Non-Treasury Investments** | | | | | | | |
| Deposit | Fixed | 07/02/2019 | *see below | 24/03/2023 | Homes for Reading Ltd | 6.35% | 1,294,999.00 |
| Deposit | Fixed | 16/04/2019 | 24/03/2029 | N/A | Homes for Reading Ltd | 3.75% | 7,000,000.00 |
| Deposit | Fixed | 30/04/2019 | 01/07/2027 | 30/04/2029 | Reading Transport Ltd | 5.00% | 1,893,812.59 |
| Deposit | Fixed | 15/08/2019 | 01/01/2029 | 30/07/2029 | Reading Transport Ltd | 5.00% | 500,000.00 |
| Deposit | Fixed | 08/04/2018 | 01/04/2029 | 01/07/2023 | Reading Transport Ltd | 5.00% | 490,297.04 |
| Deposit | Fixed | 03/06/2018 | 01/07/2029 | 01/07/2023 | Reading Transport Ltd | 5.00% | 206,749.85 |
| Deposit | Fixed | 29/07/2018 | 01/07/2029 | 01/07/2023 | Reading Transport Ltd | 5.00% | 164,084.05 |
| Deposit | Fixed | 20/01/2020 | 01/07/2029 | 01/01/2024 | Reading Transport Ltd | 5.00% | 150,785.28 |
| Deposit | Fixed | 21/08/2020 | 01/07/2028 | 01/10/2024 | Reading Transport Ltd | 5.00% | 700,000.00 |
| **Non-Treasury Investments Total** | | | | | | **4.44%** | **12,400,727.81** |
| **Total Investments** | | | | | | | **42,469,124.74** |

*rescheduling of the loan has been agreed but repayment is dependent on the transfer of HfR assets to the HRA rather than as at a specific date

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

## Appendix 3 - Approved Countries for Investments as at 31st March 2026

***Based on lowest available rating***

**AAA**

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

**AA+**

- Canada
- Finland
- U.S.A.

**AA-**

- Belgium
- France
- U.K.