



20 February 2009

Mr Christopher Thomas
Chairman
christownforum@btinternet.com

Sent by Email

Dear Christopher

RE: Reserves generated through the sale of Council Houses

Further to your letter of 16 February 2009, I trust that the following meets your needs. Before responding on your individual points, I need to clarify one point. Although it is likely that an element of the reserves relate back to the sale of council houses there has, of course, over time been a number of asset disposals and changes to revenue balances and so we are not able to say that the current reserves relate to the Large Scale Voluntary Transfer.

With regard to your individual questions:

1. As at 31 March 2008, the Council held a total of £29.4m in revenue and capital reserves of which £8.5m has been allocated. This allocation is set aside for the capital programme and various other works £7.2m and revenue activity (such as the Strategic Plan Reserve) of £1.3m. In addition, £4.8m of this should be retained as the Council's preferred minimum level of reserves.
2. The allocated £8.5m should be spent over the next 3-5 years.
3. The allocated sum has been set aside for various projects, grants, maintenance, etc that will support the community and infrastructure throughout the borough. Any bid for a new allocation from the balance will have to demonstrate how it contributes towards the Council's priorities.
4. The Council's reserves are not prioritised to any specific area and, as per my explanation above, it is no longer possible to determine the source of the reserves.
5. Please see the answer to point 1.

Town Hall Royal Tunbridge Wells Kent TN1 1RS

switchboard 01892 526121 SMS (text) 07870 526121

DX 3929 Tunbridge Wells website www.tunbridgewells.gov.uk

6. The Council is already planning its budget consultation strategy for the 2010/11 budget that will take place over the coming months. I would hope that the Town Forum would be involved in that process and understand that you have already agreed to set up a working group covering this issue and special expenses.

Yours sincerely



Sheila Wheeler
Chief Executive