

# Coventry City Council finances – the challenges we face

## FUNDING:

**Local Government funding has been significantly impacted since 2010**

Over the last 15 years, Coventry's core spending power has fallen in real terms by:

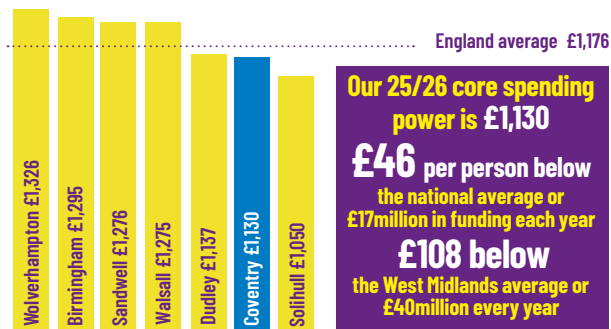
**£1.6bn**  
in that  
period

Over  
**£100m**  
(on average)  
every year

That's **£653** for

**every Coventry household, since 2010**

Although an issue for all councils, Coventry has been doubly disadvantaged as we receive one of the lowest funding levels per head of the population in the West Midlands and the country.



Funding takes no account of population growth, yet  
**Coventry is amongst the top 10** for growth since 2010

In other words, without any extra funding, the consistently increasing population means our money has had to stretch further than most other councils.

## DEMAND:

Although there have been some cash increases in funding in the last two years, these have not kept pace with inflation and do not sufficiently reflect increase in demand on services – so still another real term pressure on funding.

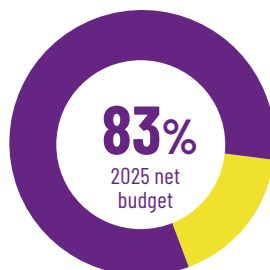
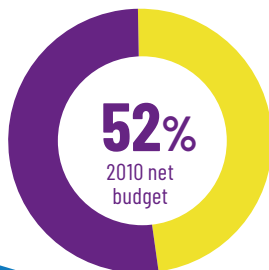
### Coventry City Council delivers

## hundreds of services every year

In 2010, we spent about 52% of our net budget in three areas:

- children's social care
- adult social care
- housing and homelessness

Because funding is not 'needs based' and has not kept up with demand or inflation, today over 83% of our net budget is spent in these three areas – meaning we now have less than 17% to spend on all other services.



## ONGOING PRESSURES:

By law, every council must set a balanced budget, meaning it cannot overspend.

Therefore, we are having to make savings every year because of growing demand and insufficient funding that reflects need. We are also managing this because of the care we take with Council finances and as a result of the money we gain from our commercial investments.

This financial year we have a savings programme of



We have uncommitted reserves of

**£10.3million**

that could help this situation, but reserves can only be spent once.

A one-off investment is also planned for highways, road and pavement defects, street cleansing and fly-tipping

targeting £2.2million