

CHANGES IN IDACI DEPRIVATION FUNDING FOR FUNDING YEAR 2016-17

- 1) The new schools data set issued by the Education Funding Agency in mid-December 2015 included a new set of IDACI (Income Deprivation Affecting Children Index) scores for children based upon statistics released in September 2015. Until now the Schools data set has used statistics compiled in 2010. The new updated IDACI data reflects any changes in the relative deprivation position of each neighbourhood across the whole of England.
- 2) For Kirklees the general effect of the new IDACI data is to shift local children down the banding structure by an average of one whole IDACI band, such that around 4,200 additional children now fall into Band 0 (the least deprived and unfunded banding). Kirklees also has around 5,900 fewer children than last year in the most deprived bands (4/5/6) with no children at all now assigned to the most deprived band, Band 6.
- 3) Kirklees' experience with the new IDACI statistics is broadly replicated across many of the local authorities in our region. There has been a particularly significant reduction in the IDACI scores for certain local post codes in the Batley and Dewsbury areas (WF12, WF13 and WF17), mainly as a result of a national moderation of IDACI results for the first time ever.
- 4) The initial volume change within the Kirklees IDACI factor initially results in a reduced allocation by nearly £5.1m. Officers recently met with Schools Forum to consider options for how this amount should be re-committed to still provide significant deprivation-related support funding to those schools which need it and how best to mitigate some of the more substantial initial losses. However, for some schools, the change in their IDACI assessment is so significant that some level of funding loss is inevitable. Of the models explored, the only approach that didn't create more instability for certain schools was moving the IDACI band factor values down by one band to match the general movement in the IDACI data set itself. The effect is illustrated in the table below.

IDACI score	IDACI Band	Primary-age per pupil funding		Secondary-age per pupil funding	
		2015-16	2016-17	2015-16	2016-17
< 0.2	0	£0	£0	£0	£0
0.2 to 0.25	1	£198.63	£436.98	£252.66	£341.09
0.25 to 0.3	2	£436.98	£536.30	£341.09	£821.15
0.3 to 0.4	3	£536.30	£794.52	£821.15	£884.31
0.4 to 0.5	4	£794.52	£794.52	£884.31	£1,010.64
0.5 to 0.6	5	£794.52	£794.52	£1,010.64	£1,010.64
0.6 to 1.0	6	£794.52	No pupils	£1,010.64	No pupils

- 5) The above approach releases almost £0.5m into Basic Entitlement (Age-Weighted Pupil Unit) funding for 2016-17. This was felt to be a small and modest step in the direction of the new National Schools Funding arrangements which will start to be introduced from April 2017 and which are expected to give even greater emphasis to basic entitlement funding.
- 6) Those schools still adversely affected by the IDACI changes will be helped to some degree by two other formula factors next year. Firstly, it has proven possible to increase the AWPU cash values for 2016-17 by just over £2m in total, largely due to a rising pupil population in the borough. Secondly, the Minimum Funding Guarantee will limit an overall reduction in Schools Block funding to a school to – (1.5)% per pupil in comparison to 2015-16.