

Schools revenue funding 2017 to 2018

Operational guide

Updated November 2016

Annex 2: New IDACI bands for 2017 to 2018

The income deprivation affecting children Index (IDACI) dataset is updated every five years by the Department for Communities and Local Government. The most recent update to the dataset, which took effect in local authorities' 2016 to 2017 schools block dataset in December 2015, showed a markedly different distribution to the previous 2010 dataset. We recognise that the 2015 data update created unexpected and unhelpful turbulence in budgets, towards the latter stages of the local formula-setting process.

We have considered the concerns raised by local authorities and views expressed through the first stage national funding formula consultation, and have decided to update the IDACI banding methodology to return the IDACI bands return to a roughly similar size (in terms of the proportion of pupils in each band) as in 2015 to 2016. The revised bands are named "A" to "G"; with the most deprived neighbourhoods being captured by band "A" (previously bands 6 and 5). For future data updates, we will set out plans for managing the change in data by adjusting the band boundaries more promptly.

In the draft APT to be issued to local authorities shortly, schools' IDACI data will be consistent with the new IDACI band definitions. In the final 2017 to 2018 APT issued in December, local authorities will receive October 2016 census data matched to the new IDACI bands.

The following table shows the proportion of pupils in each IDACI band in the 2015 to 2016 schools block dataset (column V) and the 2016 to 2017 schools block dataset (column W). Column Z sets out the 2016 to 2017 dataset mapped onto the new IDACI bands.

Table 8: Proportion of pupils in each IDACI band in the 2015 to 2016 and 2016 to 2017 schools block dataset mapped on to new bands

Bands used in 2015-16 and 2016-17	IDACI Score	% pupils in each band (2015-16) Based on 2010 IDACI dataset; 2016-17 IDACI bands	% pupils in each band (2016-17) Based on 2015 IDACI dataset; 2016-17 IDACI bands	New bands for 2017-18	IDACI Score	% pupils in each new band (2015 October census) Based on 2015 IDACI dataset; new IDACI bands for 2017-18
T	U	V	W	X	Y	Z
6	Between 0.60 and 1.00	3%	1%	A	Between 0.50 and 1.00	3%
5	Between 0.50 and 0.60	6%	3%	B	Between 0.40 and 0.50	8%
4	Between 0.40 and 0.50	10%	8%	C	Between 0.35 and 0.40	7%
3	Between 0.30 and 0.40	12%	14%	D	Between 0.30 and 0.35	8%
2	Between 0.25 and 0.30	7%	9%	E	Between 0.25 and 0.30	9%
1	Between 0.20 and 0.25	8%	10%	F	Between 0.20 and 0.25	10%
0	Less than 0.20	53%	56%	G	Less than 0.20	56%

The data in this table has been produced by taking the postcodes of each pupil sourced from the schools census in October, and matching them to an IDACI score, and hence IDACI band. The total number of pupils mapped onto each band is then calculated, and 48 proportions calculated.

Table 9 IDACI bandings data sources

The data sources are as follows: Schools block dataset (table column)	School census data used	IDACI data used
<ul style="list-style-type: none"> 2015 to 2016 (column V) 	<ul style="list-style-type: none"> October 2014 	<ul style="list-style-type: none"> IDACI 2010
<ul style="list-style-type: none"> 2016 to 2017 (column W) 	<ul style="list-style-type: none"> October 2015 	<ul style="list-style-type: none"> IDACI 2015
<ul style="list-style-type: none"> 2016 to 2017 mapped onto the new IDACI bands (column Z) 	<ul style="list-style-type: none"> October 2015 	<ul style="list-style-type: none"> IDACI 2015

Local authorities will wish to review the impact of the new band definitions when they receive their forthcoming draft 2017 to 2018 APT, as some schools may see shifts compared to the data authorities used to set their 2016 to 2017 budgets. We expect there to be much less turbulence when authorities receive their final APTs at the end of the year.