

Joint Statement on the Interagency Fee

1. The adoption sector in England is currently undergoing a period of significant change, including the development of Regional Adoption Agencies (RAAs) and the provision of the Inter Agency Fee Fund. This changing landscape has led to some uncertainty about the interagency fee going forward. Clarity around the fee is particularly important to RAAs who are agreeing their operating budgets and also providers who need to understand how future placement activity will be funded so they have the confidence to recruit adopters and develop future business plans.
2. Partners involved in adoption agree that interagency placements play a critical role and this will continue to be the case as we move towards a regionalised system. Broadening the adopter pool through interagency placements is an important factor in ensuring timely matching for harder to place children.
3. With these issues in mind, ADCS, CVAA and the LGA are in agreement that the interagency fee remains the fairest mechanism for funding placements. Specifically:
 - a. The interagency fee should continue to be the minimum price for all placements, including those purchased through block contracts;
 - b. The 'level playing field' between LAs and VAAs is an important element in the system and should be maintained;
 - c. An interagency search should be encouraged where adopters have not been identified for a child at point of placement order, if not sooner if required.
4. ADCS, CVAA and LGA will work together over the coming months to explore future arrangements for governing the level at which the fee should be set.

Background

5. The interagency fee in its current form was first introduced in 1992 in order to reflect the expenditure incurred in family finding, preparation and placement of children. The level of the fee has been increased over time on an ad hoc basis to reflect increases in costs – most recently in 2011, when the fee was increased to £27,000 for a single child.
6. In 2013, ADCS and the LGA agreed to create a 'level playing field' for all interagency placements, including those between LAs. This reduced the potential for differences in price to drive sequential decision-making, with the associated delay this causes for children. There have been no changes to the interagency fee since then.
7. Recent work to develop a cost-basis for RAAs has confirmed earlier studies (e.g. Julie Selwyn, 2009) that suggested the cost of adoption for a child is at least as high as the current interagency fee level. It is also recognised that the interagency fee is generally at least equal to the costs of a placement made within an RAA.