

Registered address:
ARC Adoption NE
Att. CVAA
Unit 29, North East Business
and Innovation Centre (BIC)
Wearfield Enterprise Park East
Sunderland SR5 2TA

To: Directors of Children's Services, Regional Adoption Agency Leaders, National Adoption Service Wales

CC: ADCS, LGA, Department for Education, VAAs, CoramBAAF

Dear Colleague,

## Inflationary increase in the interagency fee for 2023/24

On 18th January 2023 the Office for National Statistics (ONS) published the Consumer Prices Index including owner occupiers' housing costs (CPIH) level for January-December 2022, which is 9.2%.

Due to the exceptional circumstances of high inflation and the impact on local authority budgets, after consultation with members, the CVAA Board has agreed to limit **the inflationary increase in the interagency fee to 5%**. Whilst this will be a challenge for the VAA sector which needs to meet agreed pay rises for social workers and substantial increases in running costs, it is hoped limiting the increase in this way will enable more children to be placed with the best adoptive families to serve their needs.

This means that, from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024, the interagency fee levels are as follows:

Number of children	Fee level (additional weighting of 10% applied for
	agencies based in the Greater London Area)
For 1 child	£35,565
For 2 children	£57,362
For 3 children	£78,012
For 4 children	£89,483
For 5 or more children	To be negotiated on an ongoing basis
Ongoing supervision	£986

The interagency fee covers the costs borne by LAs, VAAs and RAAs in recruiting and assessing adopters, matching and placing children, and providing supervision and support up to the point of the adoption order, or for one year from placement, whichever is the sooner.

The interagency fee <u>guidance on CVAA's website</u> will be updated with the new figures towards the end of March.

Interagency fees continue to provide real value for money, both in comparison with the lifetime costs of other permanency placements and in relation to research which calculated the cost of an adoption placement for a single child as £36,905 in 2014 (Selwyn et al.)

Crucially, adoption continues to have very positive outcomes for care experienced children. In December 2022 CVAA published a social value report on adoption <u>A Home for me?</u> which showed a saving to the public purse of £1.3m for every child adopted; cost avoidance which flows directly from the better outcomes adopted children achieve relative to children in other care pathways.

VAAs continue to provide lifelong support to the children and young people they place, adopted adults and their families. This is becoming ever more important as the complexity of children placed by VAAs increases along with the lifetime impact of their early trauma.

We look forward to working with you in the year ahead to find loving families for the many children in your care who need the lifelong permanence adoption provides.

If you have any questions, please do not hesitate to contact myself or CVAA's Head of Policy and Member Services Alice Talbot (alice.talbot@cvaa.org.uk).

With warm regards,

Maggie Jones, Chief Executive Officer

(maggie.jones@cvaa.org.uk)

**Consortium of Voluntary Adoption Agencies UK**