

The Interagency Fee

An Operational Guide with
Appendices

for

England, Scotland, Wales and
Northern Ireland

Incorporating revisions agreed in 2020

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1 Introduction

- 1.1. This document provides guidance on the financial and operational arrangements for inter-agency adoption placements in the UK.
- 1.2. “Inter-agency placements” refer to any instance where a child/ren are placed for adoption with prospective adopter(s) **not** approved by a Regional Adoption Agency (RAA) or Voluntary Adoption Agency (VAA) responsible for the placement of that child/ren.
- 1.3. The term “agency” refers to any adoption agency registered with Ofsted, the Scottish Care Inspectorate, Care Inspectorate Wales or the Regulation and Quality Improvement Authority in Northern Ireland. This includes local authority adoption agencies, voluntary adoption agencies, children’s trusts, health and social care trusts and regional adoption agencies.
- 1.4. The basic mechanism for funding inter-agency placements is the inter-agency fee (IAF). This is paid by the agency responsible for placing the child/ren in question to the agency that approved the prospective adopter/s with whom the child/ren are placed.
- 1.5. The inter-agency fee acts as a minimum price; agencies may charge more, but not less, than this amount.
- 1.6. The inter-agency fee is based on two core principles:
 - That agencies providing adoption placements should receive payment to cover the costs involved in carrying out the necessary work; and
 - That the arrangements for this should prevent the need for negotiations over price or considerations relating to costs potentially creating delay in placing children.
- 1.7. The fee levels in **England, Wales, Scotland and Northern Ireland** from 1 April 2026 to 31 March 2027 are as follows:

Number of Children	Fee Level
For 1 child	£40,658
For 2 children	£65,576
For 3 children	£89,184
For 4 children	£102,297
For 5 or more children	To be negotiated on an ongoing basis
Ongoing supervision per child	£1,127

- 1.8. An additional weighting of 10% applies for agencies operating in the Greater London area, even if their Head Office is elsewhere in the UK.

2 The procedure for agreeing inter-agency fees

- 2.1. The financial arrangements for inter-agency placements are agreed by the bodies representing adoption agencies in different parts of the UK.
- 2.2. In England, the inter-agency fee is negotiated between the Local Government Association (LGA), Association of Directors of Children's Services (ADCS), Society of Local Authority Chief Executives (SOLACE) and the Consortium of Voluntary Adoption Agencies (CVAA) UK. Currently there is a differential in the fee charged by statutory and voluntary adoption agencies.
- 2.3. In Scotland, the equalising of the fee across voluntary and statutory agencies was advised by the Scottish Government in 2018 and enacted by all adoption agencies.
- 2.4. In Wales, fees are agreed between CVAA, ADSS Cymru and the National Adoption Service for Wales and since 2020 have been equalised across the sectors.
- 2.5. In Northern Ireland, agreements are reached between the five Health and Social Care Trusts. VAAs charge the recommended fee.
- 2.6. All members of CVAA are committed to charging the same fee across the UK and maintaining the 'level playing field' with the statutory sector, since this helps to ensure children are placed swiftly and facilitates the movement of children across borders, when it is in their best interests.
- 2.7. However, given the different arrangements for agreeing the fee in different parts of the UK, changes to the fee may be implemented in stages across the four nations.
- 2.8. Statutory authorities and all adoption agencies across the UK will be advised in writing of changes to fee levels on an annual basis by CVAA.

3 When the inter-agency fee should be paid

- 3.1. The inter-agency fee is payable in any case involving a child being placed for adoption with adopters approved by a different agency, as outlined in section 1.2 above.
- 3.2. The inter-agency fee applies to domestic adoption only, including placements between the constituent nations of the UK and the Isle of Man. Inter-country adoption placements (and arrangements) are not covered by the inter-agency fee arrangements.

- 3.3. The inter-agency fee applies to placements provided through ‘block purchase’ arrangements, as well as placements delivered on a ‘spot purchase’ basis.
- 3.4. Concurrent planning, early permanence, fostering to adopt, or any other such placement involving individuals approved as foster carers and prospective adopters are governed by particular arrangements, set out below in section 7.

4 Work covered by the inter-agency fee

4.1. The inter-agency fee covers the aspects of adoption work set out below. Detailed work was undertaken in 2019/20 by ADCS, CVAA and RAAs to agree the tasks and time commitment required for the placement of one or more children with their adoptive family. This work has informed the schedule of activities set out in Appendix 2 and the fee multiples for sibling groups in England and Wales.

- **Part 1:** Recruiting, preparing, assessing and approving the prospective adopter(s);
- **Part 2:** Meetings with the child’s agency, preparing and supporting the family during the matching process, placement planning and introductions, including:
 - access to the child’s record
 - access to the medical advisor responsible for the child if appropriate
 - the additional work that goes into preparing adoption support plans.
- **Part 3:** Post placement supervision for the first twelve months following placement, or until the point at which the adoption order is made, whichever is sooner. This payment covers the support and core services provided during this period as set out below:
 - Support visits to the adoptive family
 - Attendance at looked after child reviews
 - Contributions to court reports
 - Support to the prospective adoptive family during the court process.

For more detail see Appendix 2, which sets out the universal offer for post placement and post adoption order support. Please note that supervision of a child’s pre-adoptive placement is not the same as direct support services to the child.

4.2. For financial purposes, each of the three parts of work set out above have equal financial value – that is, one third of the inter-agency fee each.

5 Work which sits outside the inter-agency fee

5.1 The following areas of work have been identified as sitting outside the IAF, the majority of which are the responsibility of the child's social worker. It is recognised that it may be cost effective to delegate some of these actions to adoption agencies, especially where placements are taking place at a distance from the child's placing authority. **A minimum hourly rate of £66 (2020) has been calculated for a Grade 3 social worker to undertake these tasks if commissioned by the placing authority but is to be negotiated as necessary.**

5.1.1 Pre-placement

- Child-specific recruitment
- Transitions support if needed to prepare for placement, including direct work with children and foster carers
- Maintaining and developing relationships between brothers and sisters in separate placements / different care arrangements.

5.1.2 Post-placement

- Statutory visits
- Organising or supporting contact arrangements
- Life Story work.

5.2 Financial support and support in relation to contact arrangements are the responsibility of the child's local authority, or regional adoption agency in England where the relevant functions have been delegated to them.

5.3 Additional support services linked to the needs identified in the adoption support plan can be purchased from the approving agency or elsewhere and should be detailed in the agreement.

6 Brother and Sister (sibling) groups and disruptions

6.1 The difference in hours spent on placement work for sibling groups and single children has been addressed through detailed consultation with practitioners and workload mapping. It is important to note that this is not an exact science and the social work hours required to support a sibling placement well are dependent upon several variables, including the complexity of the children's needs, the geographical distance between the children and adopters and the families' need for follow up visits.

6.2 **Group of 2 children:** Detailed analysis of social worker hours and tasks confirmed that a **multiple of 1.6** applied in England and Wales for a sibling group of two children is appropriate in the majority of cases.

6.3 **Groups of 3 or more children:** There is considerable variation in both complexity and in the hours allocated to different tasks by social workers for larger sibling groups. There is consensus that more time is needed for:

- Life appreciation days
- Matching panels
- ‘Bump into’ meetings
- Visits to and liaison with split foster care placements
- Logistics, such as travel arrangements.

The current multiples for larger groups have been considered and **adding 0.6 per child** is agreed to be a more consistent and logical multiple which should then apply for all sibling groups of 3 and above.

An element of individual negotiation will be required for larger groups, since split placements and complex sibling relationships are all far more likely with larger sibling groups.

These multiples apply in England, Wales and Northern Ireland with a slightly higher uplift applied in Scotland following local agreements.

6.4 It is important to note that that these multiples will only meet agency costs if the family’s costs are fully met by the placing authority. Costs which fall to the placing LA, such as the costs of introductions (accommodation and travel to modest rates), should be agreed before the family are encouraged to consider a particular placement. See Appendix 3 for further details.

6.5 **Consecutive sibling placements:** Consecutive placements have been considered in relation to the length of time between placements and costs incurred. It is proposed that if the family’s agency is still supporting that family, they should retain responsibility for subsequent placements and charge a fee proportionate to the work involved to secure that placement. This will vary depending on the timescales involved for medical and other repeat checks, any geographical considerations and complexities for the new child. An assessment of the impact of bringing another child into the family will always be required. If at the point of placement

of the first child it is known that another child is on the way, the sibling fee is appropriate rather than two single fees. If not, then two single fees would apply.

6.6 **Disruptions:** A process for all agencies are set out in Appendix 1. The first two thirds of the IAF is non-refundable. However, in the exceptional circumstances of breakdown within the first four weeks, costs should be considered in the light of the outcomes of the disruption meeting.

6.7 For placements lasting longer than a month but less than a year, the final third of the fee will be part refunded based on the length of time between placement and disruption plus one month. This is to be calculated on the basis of the monthly supervision rate. There is no refund if the placement has progressed for more than a year.

7 Early permanence placements

7.1 **Foster to Adopt:** The first third of the IAF should be paid at the point of placement. Foster care costs are paid by the placing authority and the final two thirds of the IAF paid on the adoption ADM decision. If the ADM decision is not for adoption, or the placement disrupts before this point the final two thirds of the IAF is not payable. Further details on EPP are set out in Appendix 1.

7.2 Adoption agencies across the UK provide various forms of early permanency and concurrent planning placements. Each kind of placement involves different elements of work, and individual agencies have their own arrangements for charging for the work involved.

7.3 Agencies may reach their own agreements and divisions of responsibility for these placements, provided that the inter-agency fee is paid in full for the work relating to the adoption placement.

8 Payment of the inter-agency fee, statutory fees and other payments

8.1 The inter-agency fee is charged in full at the rate which applies at point of placement, defined as the point at which the child(ren) in question move in to live with their prospective adoptive family – the “placement date”. The level of the inter-agency fee charged is based on:

8.1.1 The number of children placed together as a sibling group at the same time.

8.1.2 Whether the agency providing the placement is geographically operating in the Greater London area, in which case a London weighting of 10% is added.

8.2 The monthly supervision rate is charged where an Adoption Order has not been granted after 12 months and ongoing support and supervision is being provided by the agency.

This is calculated on the basis of 1/3 of the full single child fee, divided into 12 monthly instalments. This amount will be claimed each month per child for support and supervision of the placement up to the date of the adoption order.

8.3 Should the H1/IA form not be signed before the placement takes place then the placement will proceed on the basis that the H1/IA form has been signed and all parties are bound by the form and this document.

8.4 Where possible RAAs and LAs are encouraged to make payments to VAAs on the agreement of the match in line with effective collaboration and in recognition of the cash flow challenges faced by voluntary sector organisations.

Appendix 1

Arrangements for Early Permanency Placements (EPP) and Disruptions

A. EPP

1 Fees

- 1.1 The first third of the IAF, which covers recruitment and preparation of adopters, should be paid on the placement of the child/ren and is not refundable.
- 1.2 The final two thirds of the fee should be paid at the point of the ADM decision for adoption. This is the start point for the year of adoption support funded by the fee.
- 1.3 If the ADM decision is for a non-adoption permanency option or if the placement disrupts before this point the final two thirds of the IAF will not be paid.

2 Foster care arrangements

- 2.1 Fostering management fees and allowances to carers will be paid by the placing authority for all weeks of the foster care placement to the point of ADM.
- 2.2. Fees will be paid in accordance with local agreements/frameworks, with consideration for the complexity of the EPP and level of support required.
- 2.3 Local authorities may choose to pay foster care allowances directly to the carers rather than via the adoption agency.

B. Disruptions

1 Fees

- 1.1. A disruption meeting should be held within 3 months of the disruption, chaired by an independent chairperson, with minutes being provided to both agencies. The agencies involved should share the costs equally and fully engage in the process.
- 1.2 The first two-thirds of the fee is non-refundable as some adopters do not go on to take another placement after a breakdown and those that do will need to be re- assessed. However, in the exceptional circumstances of a placement breaking down in the first four weeks this should be considered in the light of the outcomes of the disruption meeting and agreements made between the parties.
- 1.3 For placements lasting longer than a month but less than a year, if the fee has been paid in full the final third of the fee should be part-refunded, once the minutes of the disruption meeting have been received by all parties.

1.4 The refund should be based on the length of time between placement and breakdown, plus one month. The price of the work should be calculated on the basis of the monthly supervision rate (see section 8.2 of the Guidance above). The value of this work should be deducted from the amount refunded. For example, based on 2020 fees, if the placement of a single child broke down after 3 months, $4 \times \text{£}865 = \text{£}3,460$ would be non-refundable, while the rest of the final third of the fee would be repaid. There is no refund if the placement has progressed more than a year as an additional monthly fee becomes payable after a year in any event.

2 Disruption meetings

2.1 A **disruption meeting** should take place in a timely manner, and definitely within three months of breakdown. The minutes to be delivered to both parties within 28 days of the meeting. All agencies are committed to meeting this standard and using minutes for learning and sector improvement.

2.2 The agency and placing authority should take equal responsibility for the time taken to prepare well for the meeting, the costs of chair and secretarial support to take minutes. There could be an in kind “shared cost” by providing accommodation or bringing a secretary to minute the meeting.

2.3 Meetings should be chaired by a suitably qualified and experienced person with the seniority to make practice recommendations and with a thorough understanding of the relevant legal and policy context.

2.4 It is likely that the chair will need to read the papers in advance, undertake interviews/ have investigative conversations, chair the meeting, agree the minutes and make recommendations. The time commitment may depend on the age of the child/children, the complexity of the case and the time the placement has lasted. Payment of £500 per day and associated travel costs are appropriate.

Appendix 2

Components of the Inter-agency Fee Standard Offer

1 Recruitment and preparation of adopters

The activities covered by the fee include:

- Answering queries and the provision of information for prospective adopters
- Application or ROI processes
- Stage 1 preparation and checks or equivalent
- Stage 2 preparation courses or equivalent
- Reports for Panel
- Presentation at Panel

2 Matching and placement support

The core tasks covered by the IAF include:

- Reading of files/CPRs/Plans etc
- Matching paperwork and meetings
- Shortlisting and linking activity
- Home visits
- Preparing information for the adopters
- Meeting(s) with foster carer
- Liaison with medical advisor
- Life appreciation day (attending)
- Adoption support plan and prep for Panel
- Matching panel
- Introduction preparations and meetings
- Meetings of significant others and connected persons
- Mid way review
- You and yours events
- Placement support: Non-statutory visits and telephone support – very variable dependent on need and complexity

- Transfer of attachment plans and supporting interventions
- Support with compiling/seeking information for adopters
- Help with setting up contact arrangements
- Liaison with school/NHS/Health Service

3 Post placement support

The original CVAA Post Adoption Module for Core costs was used to consider components of the standard offer:

- Telephone/postal advice/ information services to adoptive families
- Liaison/short term counselling/initial assessment and referral to specialist local services
- Access to workshops /support groups for members of adoptive families (this may be via own agency or the agency's membership of regional consortia)
- Access to information about resources such as videos, books, and specialist services
- Opportunities for networking with other adoptive families, including social events for adoptive families
- Regular agency updates for adoptive families e.g. newsletters, invitations to consultation events and other written communication

Individual families and adopted children and adults may use some or all of these services at different times in their lives. The menu covers the requirements of a core generic support service for those affected by adoption and is not divisible into separate component parts since it is unknown what services will be required at what stage in the future. A small element of the fee, (costed as 1/6th) contributes to the costs of providing a holistic post adoption service which is available free of charge at the time of need to adoptive families, adopted children and adults. This is not the same as bespoke therapeutic or targeted support.

Appendix 3

Statutory charges and other costs to be met by placing authorities

- 1 **Statutory Checks:** Statutory checks should be undertaken free of charge in compliance with the *Localism Act 2011; Section 3 Limits on charging; sub-section 2* which prohibits charges for services which statutory provision requires the LA to provide for non-commercial purposes. This recognises the good practice of most authorities and reduces the financial pressure on individual families and small providers.
- 2 **Costs of placement set up:** The settling in grant should be met for children over the first child. Support for the first child in a sibling group or for a single child should be means tested so low-income families are not disadvantaged.
- 3 **Personal belongings:** The expectation is that the child will retain their personal belongings i.e. clothes, toys and cot mattress/bedding on transition to the adopters.
- 4 **Foster care costs for introductions** should be met in full by the foster care agency/LA. Policies should be in place and shared with family support agencies to avoid confusion or embarrassment for adopters and foster carers on hospitality costs etc.
- 5 **Birth certificates:** LAs to provide two copies.
- 6 **Lodging Adoption applications:** This cost will be met by the LA, which is majority practice unless the budget for this has transferred to an RAA.
- 7 **Legal fees:** In the exceptional circumstances where adopters need independent legal advice the LA should pay for a set number of consultations at an agreed fee. There is an expectation that the local authority will support adopters with the court application fee (where the family are not eligible for a fee exemption). It is usually the case that prospective adopters' interests are protected by the local authority, and so it is unusual for them to require separate legal representation. In exceptional circumstances a consultation with a solicitor or legal representation may be considered by the local authority on a case-by-case basis. If the need arises, there is an expectation that the solicitor adopts legal aid rates within an amount agreed and reviewed if required.
- 8 **Medical fees:** Adopters should not be charged for medical fees relating to their application. The NHS should be supporting the adoption system by covering these costs. Where fees are charged, the Coram BAAF recommended fee should be paid, and LAs are requested to offer support, particularly to lower income adopters, to reduce barriers to adoption.

- 9 Prompt payment:** Prompt payment of the fee should be the norm. Payment in full within 30 days of placement is expected, in line with Government guidelines for payment to SMEs.