

## **Costs of adoption**

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With the recent policy emphases on increasing the number of children adopted out of care and improving the quality of adoption support services, the need to know more about the costs of placing children for adoption and providing post-adoption support has become extremely pressing. A study (Selwyn et al., 2003) was carried out which was the first of its kind to attempt to estimate the cost to social service departments (SSDs) of placing for adoption and supporting in adoptive placements a complete epidemiological based sample of adopted children.

The data used to calculate the adoption process unit costs were collected from SSD case files of 96 children, aged five years seven months on average at placement, for whom adoptive homes were found. The data for the post placement and post adoption unit costs were calculated from case file information on the 96 children and from interview with the adopters of 64 of the 80 children who were still in their adoptive placements at the time of the follow-up, which was on average seven years after placement.

Three different unit costs listed below have been calculated following recommended methodology (Beecham, 2000):

- an 'adoption process' unit cost — the cost to SSDs of finding an adoptive family for a looked-after child;
- a 'post placement' unit cost per week — the cost to SSDs of maintaining a looked after child in an adoptive placement before the making of an Adoption Order;
- a 'post-adoption' unit cost per week — the cost to SSDs of providing adoption support services to adoptive families post Adoption Order.

All information on staff costs have been taken from the Unit Costs of Health and Social Care where it was available, otherwise salaries have been estimated. Other costs have been provided by the Local Authority (LA) or have been based on actual payments (inflated to 2002/03 levels). Data were collected which would give the most accurate picture of the resources SSDs were employing. Diaries were completed by social workers so that time could be allocated appropriately to adoption or fostering activities, rather than be subsumed within the family placement budget. An LA's legal department also helped collect data to enable an approximate estimate of legal costs. However, because the data were collected with each child as the main focus, this method lost some of the costs of adoption. For

example, a great deal of social work time was spent recruiting adopters but from the many who made initial enquiries only a few become approved adopters and it was not possible to allocate the costs of 'drop-out' in this study. Similarly by building costs per child, the costs when sibling groups needed an adoptive placement may have been overestimated.

It is important to note that Social Worker and Team Manager unit costs used were weighted unit costs, specifying the cost per hour of client-related activity, rather than the cost per working hour. Although it was appropriate to use these more accurate weighted unit costs (Beecham, 2000), they do alter the final unit cost and this needs to be borne in mind if comparing with other cost estimation exercises.

The total cost per year to SSDs for family finding and supporting the placement until the making of the Adoption Order for children in this sample was £20,501. The vast majority of the children in this sample were matched and placed within a year of the adoption best interest decision but the average length of time between placement and the making of an Adoption Order was 2.4 years. By examining time taken for matching and the making of Adoption Orders, it was also possible to calculate the total cost for adoption for a child in this sample. This was £25,782. It was assumed that on average the same level of support went into the families in the first and second years.

### **The adoption process unit cost**

To calculate the cost of finding a family per child the average cost per child of each of the inputs was calculated and these costs summed to give the average cost of placing a child for adoption. As seen in table 1, the average cost in 2002 of placing a child for adoption was £12,075 with a range of £9,346 to £29,293. Costs varied depending on the complexity of the case, the amount of staff time taken to find an appropriate placement, the need for promotional activities or payment of an inter-agency fee and this is reflected in the range of costs.

Staff costs made up just over three quarters of the adoption process unit cost (77 per cent), family finding costs just under a fifth (19 per cent) and grants/reimbursements to carers and legal/finance only 2 per cent each.

**Table 1 Costs of the adoption process (2002 prices)**

Service Component	Total input (hrs)	Cost per unit <sup>1</sup>	No. in receipt of service	Minimum cost per child <sup>2</sup>	Maximum cost per child <sup>3</sup>	Average cost per child (n = 96)
<b>a) Staff Costs</b>						
Child's Social Worker	162	£25	96	NA	NA	£4,050
Family Placement Worker	144	£25	96	NA	NA	£3,600
Team Managers	40	£31	96	NA	NA	£1,240
Adoption Planning Manager	12	£28	96	NA	NA	£336
Adoption Clerk	8	£15	96	NA	NA	£120
Total - Staff Costs				£9,346	£9,346	£9,346
<b>b) Family Finding Costs</b>						
BAAF/Agency Consultations	2	£85	4	£0	£170	£7
Consortium Membership	-	-	31	£0	£291	£94
Promotional Costs	-	-	26	£0	£827	£68
Inter-agency Fees	-	-	16	£0	£14,931	£2,108
Total - Family Finding Costs				£0	£16,219	£2,277
<b>c) Payments to Carers</b>						
Adopter Expenses	-	-	29	£0	£696	£53
Foster Carer Expenses	-	-	10	£0	£230	£17
Set-up Grants	-	-	37	£0	£607	£107
Adopter Legal Expenses	-	-	41	£0	£820	£30
Total - Payments to Carers				£0	£2,353	£207
<b>d) Other Costs</b>						
Legal Costs	-	-	16	£0	£1,314	£219
Finance Costs	-	-	5	£0	£61	£26
Total - Other Costs				£0	£1,375	£245
<b>Grand Total</b>				£9,346	£29,293	£12,075

## Post-placement adoption support

The average cost in 2002 of supporting the child in their adopting home until the making of an Adoption Order was £6,092 or £117 per week, with a range of £21 to £260 per week. Historically, adoptive placements have not received the same levels of support from SSDs as foster placements, either financially or through other service provision. Adoption allowances for example must contain no element of reward, are means tested and are therefore much lower than fostering allowances.

To calculate the unit cost of post-placement adoption support, the average cost per child of each of the inputs was calculated and these costs summed to give the average cost to SSDs per year. Table 2 shows these calculations with, where possible, the minimum and maximum costs for each element.

Allowances and other financial support comprised over half of the unit cost (54 per cent), staff costs 33 per cent, other service provision 8 per cent and costs associated with birth family contact 5 per cent. This latter figure disguises the full costs of contact, as it was not

1 Social worker and team manger costs are weighted costs per hour of client-related activity.

2 For staff costs average costs are shown due to the way the costs were estimated.

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possible within the scope of this study to account for all the planned contact that did not occur, nor all the time spent by workers reviewing, planning and setting up contact arrangements.

**Table 2 The cost of post placement adoption support (2002 prices)**

Service Component	Total input per year (hrs)	Cost per unit	No. who received service	Minimum cost per child per year	Maximum spent on a child in the year <sup>4</sup>	Average cost per child per year
<b>a) Staff Costs</b>						
Child's Social Worker	820hrs <sup>5</sup>	£95	91 <sup>6</sup>	£0	£3,800	£811
Family Placement Worker	726hrs <sup>6</sup>	£95	88 <sup>6</sup>	£0	£4,275	£718
Team Managers	840hrs	£31	96	£124	£341	£271
Adoption Manager	768hrs <sup>6</sup>	£28 <sup>7</sup>	96	£185	£185	£185
Finance Officer	130hrs	£13	65	£0	£26	£18
Total - Staff Costs				£309		£2,003
<b>b) Financial Support</b>						
Adoption Allowances	£306,128	-	65	£0	£4,731	£3,189
Other Payments	£9,710	-	33	£0	£1,070	£101
Total - Financial Support				£0		£3,290
<b>c) Other Service Provision</b>						
Respite Care	31wks	£247	6	£0	£4,446	£80
Childminding	322hrs	£5	4	£0	£1,400	£16
Additional Workers	516hrs	£12 <sup>8</sup>	5	£0	£2,972	£67
Skills Sessions	12hrs	£25	1	£0	£300	£3
CP Conferences	13hrs	£783	7	£0	£3,132	£106
Post-Adoption Modules	4hrs	£2488	4	£0	£2,488	£104
Support Group	-	-	32	£0	£302	£101
Total - Other Service Provision				£0		£477
<b>d) Birth Family Contact</b>						
Letterbox Contact	195 items	£38	50	£0	£380	£77
Supervised Contact	100 visits	£190 <sup>9</sup>	37	£0	£4,940	£207
Contact Travel Expenses	£1,494	-	12	£0	£355	£16
Total - Birth Family Contact				£0		£300
<b>Grand Total</b>						£6,070

## Post adoption support unit cost

At the time this study was undertaken most adoptive families were not supported by SSDs after the making of the Adoption Order and consequently costs are low. Data were collected during interviews with 64 adopters and additional costs of five recently disrupted adoptive placements from the sample were added to give a more complete picture of adoption support. The unit cost per year of providing post adoption support services in 2002 was £2,334 (£45 per week) with a range of £71 per year to around £13,500 per year. This

4 One child would not receive all services. A total amount is not therefore applicable.

5 Estimates for the full sample of 96 are based on data for 64 children whose adopters were interviewed.

6 480 hours of Adoption Planning manager and 288 hours of admin support.

7 £15 per hour for the administrative assistant.

8 138 hours of Adoption Planning Manager and 69 hours of administrative support.

9 Two hours of social time at £95 per hour.

represents the cost in 2002 to SSDs of providing post-adoption support services for a previously looked after child with the highest costs supporting adoptive placements that were in danger of breakdown.

SSD expenditure on adoptive placements reduced by two-thirds once the Adoption Order was granted. Allowances and other financial support comprised 55 per cent of the unit cost, staff costs 18 per cent (notably less than the post-placement figure of 33 per cent), other service provision 22 per cent and costs associated with birth family contact 5 per cent.

**Table 3 Cost of post adoption support (2002 prices)**

Service Component	Total input per year	Cost per unit	No. who received service	Minimum cost per child per year	Maximum spent on a child in the year <sup>10</sup>	Average cost per child per year
<b>a) Staff Costs</b>						
Child's Social Worker	96hrs	£95	13	£0	£1,900	£132
Family Placement Worker	109hrs	£95	13	£0	£2,280	£150
Team Managers	93hrs	£31	45	£0	£155	£42
Adoption Manager	207hrs <sup>11</sup>	£28 <sup>12</sup>	69	£71	£71	£71
Finance Officer	50hrs	£13	25	£0	£26	£9
Total - Staff Costs				£71		£404
<b>b) Financial Support</b>						
Adoption Allowances	£83,564	-	25	£0	£5,720	£1,211
Other Payments	£3,460	-	5	£0	£2,400	£50
Total - Financial Support				£0	£8,120	£1,261
<b>c) Other Service Provision</b>						
Respite Care	36wks	£247	7	£0	£1,976	£166
Additional Workers	639hrs	£12 <sup>13</sup>	9	£0	£3,825	£115
Therapeutic Support	21hrs	£36	2	£0	£540	£11
Skills Sessions	40hrs	£63	3	£0	£1,134	£37
Social Work Assessments	84hrs	£25	2	£0	£1,050	£30
CP Conferences	9	£783	4	£0	£2,349	£102
Other Post-Adoption	28hrs	£95	3	£0	£2,470	£39
Support Group	-	-	11	£0	£302	£48
Total - Other Service Provision				£0		£548
<b>d) Birth Family Contact</b>						
Letterbox Contact	83 items	£38	25	£0	£228	£46
Supervised Contact	24 visits	£190 <sup>14</sup>	10	£0	£860	£68
Contact Travel Expenses	£500	-	6	£0	£205	£7
Total - Birth Family Contact				£0		£121
Grand Total				£71	1	£2,334

To understand more about the costs of post-adoption support, the different patterns of support for adoptive placements and the cost implications of these were considered. Figure 1 summarises the patterns for the 69 children.

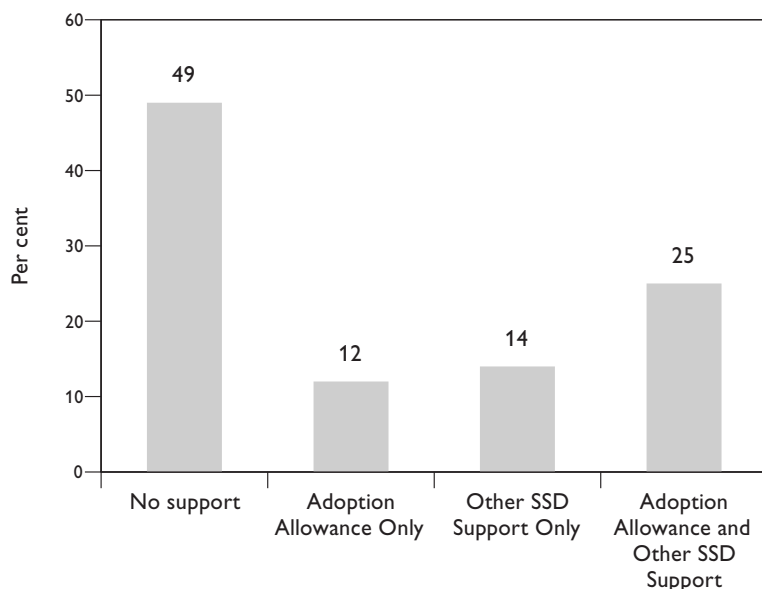
<sup>10</sup> One child would not receive all services.

<sup>11</sup> 138 hours of Adoption Planning Manager and 69 hours of administrative support.

<sup>12</sup> £15 per hour administrative assistant.

<sup>13</sup> £12.26 per hour community care worker, £95 per hour family linked worker, £10. per hour sessional worker.

<sup>14</sup> Two hours of social time at £95 per hour.

**Figure 1 Patterns of post-adoption support**

Thirty-four of the adoptive families (49 per cent) were not receiving any support from SSDs and a further eight (12 per cent) were only receiving an adoption allowance for their child. Seventeen (25 per cent) adoptive families were in receipt of an adoption allowance and at least one other form of support from SSDs. These differing levels of adoption support service had clear cost implications as table 4 below shows.

**Table 4 The cost implications of the different patterns of post-adoption support (2002 prices)**

Pattern of support to adoptive families	Average cost per week
No support (but contact costs)	£4
Adoption allowance only	£80
No adoption allowance but other SSD support	£50
Adoption allowance and other SSD support	£104

There were still costs to SSDs for those children and families who were not receiving any financial or practical support, due to the costs of facilitating contact with the children's birth families and the associated time from the Adoption Planning Manager. It is not surprising that the cost, £104 per week, of providing a more substantial post-adoption service, is very similar to the £117 unit cost of supporting children in their adoptive families before the Adoption Order was made. All of the above costs include contact costs and managerial and administrative costs. Thus the average cost of £80 per week of supporting an adoptive family with just an adoption allowance is more than the average amount families were receiving in adoption allowances per week (£66).

There has been growing recognition that adoptive families need continuing support and access to services, because of the characteristics of children placed for adoption. Most of the children had been abused, spent several years being looked after and been moved through foster placements. The Adoption and Children Act (2002) and the Adoption Support Regulations recognize the need for support and it is expected that over the next few years there will be a growth in post adoption services.

## Conclusion

The cost implications of the different levels of post-adoption support services provided in this study could be helpful to Local Authorities trying to improve and estimate the cost of providing post-adoption support services. Approximately a third of adoptive families in this sample did not want any continued social work support (except for an adoption allowance if they were eligible) after the making of the Adoption Order. A further third wanted some social work support, and the third of families who were having the most difficulty wanted intensive multi-disciplinary help. However, adopters in this study were poorly informed about the range of services available and did not expect to be able to access even those services that they knew were available. As post adoption services receive more publicity, it should be expected that demand would grow.

## Reference

Selwyn, J., Sturgess, W., Quinton, D. & Baxter, C. (2003) *Costs and Outcomes of Non-Infant Adoption*, Report to the Department of Health, Hadley Centre for Adoption and Foster Care Studies, University of Bristol (j.selwyn.@bristol.ac.uk).