Radu Comșa, Oana Ganea, Ștefan Dărăbuș

FINALIZING THE DEINSTITUTIONALISATION PROCESS OF THE CHILD PROTECTION SYSTEM IN ROMANIA

FINANCIAL IMPACT STUDY
Hope and Homes for Children has been active in Romania since 1998, during which it has directly or indirectly contributed to the closure of 57 old-type institutions (orphanages), while for another 10, the closure is still ongoing. Through the services developed by our organization, the children move from being cared for in large institutions, where they do not receive individual attention and affection, to family-based alternatives: placements with families, national adoption, foster care, reintegration into birth families, support for the social and professional integration of young adults or placements into family-type homes. These allow them to have a life that is very similar to the one experienced by any child living in a family. Through our efforts and together with our partners, we have placed 5,810 children out of orphanages, 457 children will leave the institutions that are currently being closed and we have developed 105 family-type homes, as well as Day Centres, Mother and Baby Units and Emergency Reception Centres.

At the same time, our organisation is very active in preventing the separation of children from their families, intervening with the necessary means to support families that register a high risk of being separated from their children: 31,580 have been saved from family separation, 1,168 young adults have been supported to begin independent life, 1,964 children were allowed access to day centres and 930 to emergency reception centres. We believe that the people caring for these children and young adults are very important, therefore we have trained more than 9,000 staff members in child protection through our programmes.

Until now, we have changed the lives for the better for 55,000 children in Romania. Our organisational objective is to eliminate institutional care for children in Romania by 2026. More information available at www.hopeandhomes.ro.
FINALIZING THE DEINSTITUTIONALISATION PROCESS OF THE CHILD PROTECTION SYSTEM IN ROMANIA

FINANCIAL IMPACT STUDY
About the authors

Radu Comșa

He has worked for 8 years in the central and local administration office. During this time, he participated in developing analyses, reports, public policies and several legislative drafts in fields such as decentralization, organisation and functioning of public administration, local public funds, public services and investments. At the moment, Radu works as a consultant and examines the legislative, organisational, financial and strategical components for different areas of the public sector. The main areas covered include the local and central administration, health and social assistance.

Oana Ganea

She is a sociologist, with more than 15 years of experience in this field. She has been working as a researcher (she is the co-author of the first Audit of Social Services in Romania), but is also involved in projects at grassroots level, both in Romania and in the Republic of Moldova. She has evaluated and drafted public policies in different areas, such as partnerships in the field of agriculture, the function of Local Action Groups and the reform of the child protection system. She is a contributor to the Integrated Package to Combating Poverty, launched by the Romanian Government in 2016. In 2017, together with other specialists in social research and community development, she founded the Reality Check Association, where she has been involved both in monitoring and impact assessment projects (e.g. monitoring Law no.248/2015), and in projects of direct intervention into disadvantaged communities.
Ștefan Dărăbuș

He is the Regional Director of Central and Southern Europe of Hope and Homes for Children. He has 21 years of experience in the reform of the child protection system and in innovating social services. His career is focused on changing the paradigm of child protection, from institutional care to family-based care. The mission of his organisation is to eradicate institutional care, first in Romania and then at global level. A philology graduate and with a Ph.D. in the theory of literature, Ștefan Dărăbuș completed his MBA studies a few years ago and he has been applying organisational, strategic management and the management of change in the programmes to reform social protection systems. He implements deinstitutionalisation programmes in Romania and at international level, being involved in the reform of the child protection systems in several countries in Europe and Africa. He is the author and co-author of several studies, among which are The Deinstitutionalisation of Services for Children in Romania, published by UNICEF in 2004, IMPACT. Work Methodology for People with Special Needs and Challenging Behaviour (2012), Social and Professional Reinsertion of Young Adults Leaving State Care (2007), Methodology Guide to Prevent the Separation of Children from their Family (2011), The Audit of Social Services for Children in Romania (2012), The Financial Impact of the Public Child Protection System Reform in Romania (2013), The Closure of Institutions for Children. Intervention, Implementation and Action Plan (2017).
Definitions of terms and acronyms

NAPCRA  National Authority for the Protection of Children’s Rights and Adoption

CDSACP  General Directorate for Social Assistance and Child Protection

WB  World Bank

HCOP  Human Capital Operational Programme

ROP  Regional Operational Programme

APB  Authorised Private Bodies

DI  Deinstitutionalisation

CP  Child Protection

FTH  Family-Type Home

FTA  Family-Type Apartment

MBU  Mother&Baby Unit

Old-type residential institutions

The protection of children takes place in large residential units, which are neither built on the needs of the children nor are they family-based. It is a type of protection defined by the typical symptoms of institutional culture: depersonalisation, rigid routine, mass treatment, social distance, dependency, lack of affection. These units house more than 12 children/young adults, with more than 4
children/young adults sharing a bedroom, with shared bathrooms and showers for the children and young adults living on the same floor.
Modulated residential institutions

Residential unit with more than 12 children/young adults residing, divided into modules. A module usually consists of: a bedroom, one bathroom and a living-room. The protection of children takes place in large residential units in large residential units, which are neither built on the needs of the children, nor are they family-based. The seeming privacy is the result of the modular partitioning of residential institutions, but the building as a whole is still the same, which turns this partitioning into something artificial, that does not provide essential change for child development. It is also a type of protection defined by the typical symptoms of institutional culture: depersonalisation, rigid routine, mass treatment, social distance, dependency, lack of affection.
Mother & Baby Units

Short-term residential service, whose main objective is to prevent the separation of children from their mother and it is organised according to the family model. The mission of the MBU is to develop, maintain and strengthen family relationships and to support the mother to take on parental responsibilities. Its direct beneficiaries are mothers and their children, as well as pregnant women at risk in their last trimester of pregnancy.

Family-Type Homes

Residential service in which a relatively small number of children (maximum 12) live in a house located in the community. Here, children are cared for in an environment close to a family one, with living room, kitchen and appropriate bathrooms. In the family-type home, emphasis is placed on the development of independent living skills and the children’s need for attachment, while they are actively involved in all household activities and integrated into the community.
Family-type apartments

Residential unit, located in blocks of flats, with no more than 6-8 residents, depending on the total living area of the unit. Here, children are cared for in an environment close to a family one. Family-type apartments consist of: bedrooms, kitchen, living-room, bathroom. In the family-type apartment, emphasis is placed on the development of independent living skills and the children’s need for attachment, while they are actively involved in all household activities and integrated into the community.
INTRODUCTION

Children placed in institutional care are deprived of their fundamental right to living in a family environment. The Romanian state would greatly improve their situation, if it took care of preventing the separation of children from their family, instead of focusing on the current model - placing in care about 63,000 children, while hundreds of thousands of them still live in inhumane conditions. These are the ones that specialised public authorities pretend they do not see, because they lack the capacity for legislative framework design to prevent the separation of children from their family. The children leaving old-type child protection institutions do not have independent living skills, they rarely manage to find a job or start a family. The suicide rate among these young adults is significantly higher than the population’s average.

The thesis of this study is that, if the state were to invest money so that these children remain in a family environment, the amount invested would be significantly lower, which automatically allows the support of an increasingly higher number of children at risk – a research hypothesis demonstrated through longitudinal statistics analysed in this study, applied to 18 years of Hope and Homes for Children programmes – and the results regarding the harmonious development of children will be highly optimized. If parents want to keep their children with them, but they cannot feed them or they do not have a place to live, legislation should support them, so that
families can remain together. It would cost less than caring for the children in a state institution, where they will be deprived from the authentic family environment.
All this considered, we developed this impact study of the deinstitutionalisation process applied in Romania during the last 15 years, with the completion of the DI process in 2026 in view. The starting point and validity of the study is provided by the numbers monitored and implemented by Hope and Homes for Children during the last 18 years in Romania. This allowed for the development of a longitudinal quantitative study, which can provide solid work assumptions and sustainable conclusions for the macro system of social protection of children and their families in our country.

The authors
THE QUESTIONS UNDERLYING OUR RESEARCH

- How much will the entire process of closing down old-type institutions cost?
- What else is needed to complete the deinstitutionalisation process?
- How much money is the state currently spending, on average, for institutionalised children? How much money will it spend on a model focused on preventing children from being separated from their family?
- Is the prevention of family separation truly being carried out at the moment? How should it be done when considering a legislative environment focused on family-centred social protection?
- What predictions can we make in order to demonstrate the applicability and opportunity to optimize legislation in the field of social protection, so that it prioritizes the protection of the children within their own families and change the paradigm from “special protection” provided to the children to “family protection”? 
WHAT WE AIM IN THIS STUDY

1. To demonstrate the positive impact of completing the deinstitutionalisation process for children and young adults placed in state care and the benefits of moving towards a paradigm focused on protecting children in family environments.

2. To demonstrate that deinstitutionalisation is not only the process of eradicating old-type institutions for children in state care, it is not only the absence of “orphanages”. Deinstitutionalisation is a mix of interventions and a philosophy for social protection based on a continuum of services. Among these services, the essential ones are: preventing the separation of children from their family, adoption, foster care, real family support for vulnerable families, family placement, support for the social integration of young adults leaving care, alternative family-based protection solutions and something that is rarely talked about: investments in the quality of family-based services - in the research and monitoring process.

3. To emphasize that social protection should be centered on families and their children at risk, those who are marginalized, isolated or socially excluded. This should be the essence of the design for the social protection system, instead of administrative priorities, human resources or communication between ministries. Unfortunately, in most cases the...
bureaucracy and the decision-makers ignore the very essence of their existence and of their fundamental role: the vulnerable families and children.

4. To propose a public policy to prevent family separation, with funding for specific interventions and focused on supporting children and parents who survive in a state of chronic poverty.

5. To emphasize the essential role of social housing in reducing poverty, social exclusion and preventing family separation.

6. To present realistic plans and predictions, based on currently valid data in the field of social protection, regarding the eradication of institutionalisation as a so-called form of child “protection”.

7. To reach a consensus on the fact that institutionalisation is unacceptable as a form of child “protection”. Institutionalisation is a set of types of child abuse and a way in which the state terrorizes its own citizens.

8. Mapping absolute numbers and then consolidating them in order to sum up costs and roles in the process to deinstitutionalise the child protection system. Costs versus benefits: when do we draw the line, how much will the reform process cost? What are our assumptions? If
the European Union invests approx. EUR 150 million in this process, how much does the Romanian state invest?

How much do NGOs invest in it? We need a clear image of the necessary costs, on the way in which the deinstitutionalisation process is implemented, on the timeline for introducing new legislation that allows the actual prevention of family breakdown within the macrosystem through the state budget, not just through initiatives coming from NGOs. We need clear costs, so that the deinstitutionalisation process can be irreversible and sustainable. We need legislative optimizations so that the prevention of family breakdown can be more than a process to quantify the number of children and families that survive beneath the poverty line. What are the costs of a child protection system based on quality, family-type alternative services? How can this system become sustainable in the long-run? Is there a commitment to supporting a family-centred child protection system?

9. To demonstrate the longitudinal impact of deinstitutionalisation and, implicitly, of a family-centred social protection system. The benefits of removing a child from the institutional environment are not only for their personal development, but also for the society. The data we can collect is related to:
➢ child wellbeing;
➢ education;
➢ family budget;
➢ contextual cost-efficiency, stemming from the areas related to social protection;
➢ health;
➢ social protection;
➢ respecting human and children’s rights.
THE METHODOLOGY FOR CALCULATING THE BUDGETARY IMPACT

General aspects

The impact analysis carried out in this report deals with the component represented by old-type institutions in the child protection systems and options for its deinstitutionalisation. The analysis was not extended to include the other components of the child protection system.

The impact analysis compared the results of two action scenarios:

➢ continuing the existing trends ("continuity) and
➢ accelerating the pace of deinstitutionalisation by prevention and by proactively closing down old-type institutions ("acceleration").

In both scenarios, the results were calculated at national level, by summing up the entry data available at the level of the old-type institution or at county level.

Categories of data used and calculated indicators

The data used and the calculated indicators for the impact analysis fall under certain individual categories, as follows:
1. Entry data: types of services, institutions, children per types of services and institutions;

2. Institutional variables: institutions closed, children per FTA/FTH, prevention cases per county, entries into the system (per institution), exits from the system (per institution), staff from institutions transferred to the Local Social Services (LSS), weighting and evolution factor of the prevention cases, the RSI weighting factor, the annual inflation rate, the currency exchange rate;

3. Unit costs: cost standards per beneficiary according to types of services, costs per newly-purchased FTAs/FTHs, costs associated to the closure of old-type institutions, the Reference Social Indicator (RSI), annual costs per prevention case, reintegration/system exit costs;

4. Result indicators:
   a. Institutional: the impact of prevention on entries, FTAs/FTHs units necessary;
   b. Budgetary: total current costs per types of services, costs of prevention actions, total costs related to the children who leave the system, total costs incurred for the closure of old-type institutions, investment costs, costs related to the newly transferred staff to the LSS;

5. Distribution indicators for the budgetary impact: according to funding sources and the nature of expenses.
The sequence of calculation for deinstitutionalisation

The costs related to the closure of an old-type institution and to the transfer of children into a different type of services were sized by taking the following administrative and procedural steps:

1. The old-type residential institution is closing;
2. The children from the closed institution can be: reintegrated into their birth or extended family, placed for adoption, placed in foster care, in family placement, young adults are supported to be socially and professionally integrated;
3. The children from the institution that is closing, who need a form of residential protection, are placed into family-type homes and apartments (FTHs and FTAs);
4. FTHs and FTAs are purchased by different actors in the system (NGOs, GDSACP from their own funds, GDSACP from non-refundable EU funds - Regional Operational Programme);
5. Current services for children from FTHs and FTAs are funded through specific cost standards;
6. The closure of the old-type institution generates auxiliary costs with retraining staff, changing of career paths, renovating buildings and others;
7. A large proportion of the staff in the institution that is being closed is transferred to the public social services developed on the family concept within the GDSACP.
The sequence of calculation for prevention

The costs related to prevention activities were sized according to the following working hypotheses:

1. A number of children at risk of being separated from their families receive annual help for prevention;

2. The help consists of a form of social benefit and, when the case is identified, an amount of money available immediately for different imminent and necessary expenses;

3. The calculation of the monthly social benefit is performed per child, by applying a multiplication coefficient to the Reference Social Indicator (RSI); RSI is increased annually according to the inflation rate;

4. The social benefit is given as long as the child’s family is at risk; in order to simplify the estimates, the current report uses a duration of maximum 3 years for the social benefit;

5. The number of prevention cases in a county may vary from one year to the next.

The calculation of the costs related to the children who remain in old-type institutions

Old-type residential institutions still in use will continue to provide services to the children residing in them. The related costs are obtained by multiplying the annual cost standard per beneficiary with the number of children residing (with or without special needs). Other operating costs were not evaluated.
Estimating entries into the system

Every year, there are a number of children entering the child protection system, distributed according to types of services. Estimating the number of children distributed to old-type institutions took place according to the following steps:

1. The value of the entries was taken from the detail statistics existing in 2012; its adequacy was verified by comparing it with the variation of the total number of children in the system, according to the current data published by NAPCRA;

2. The distribution of children, entered by types of services, was achieved by pro-rata with their current percent in the system (i.e. the old-type residential takes 20% of the entries);

3. Estimated historical entries were diminished by the impact of prevention activities (i.e. the number of children whose entry was avoided through prevention activities);

4. The impact of prevention activities was calculated as follows: of the total prevention cases, it is estimated how many of them would have ended up in the system without any intervention, of which the number of those distributed to old-type residential units is extracted.
Estimating exists from the system

Every year, there are a number of children leaving the child protection system through family reintegration or by reaching the maximum legal age. In order to calculate the number of children in these situations, the estimates for old-type residential institutions made by Hope and Homes for Children were used. Each exit was associated with occasional related costs.

The number and costs related to the staff transferred to the LSS or to other newly-created prevention services, within the GDSACP

When each of the old-type institution is closed, a number of staff will be transferred either to other family-based services within the GDSACP or to local social services, where they will implement actions to prevent the separation of children from their families. The role of the newly-created prevention services within the GDSACP should be operational, to implement and also to coordinate and manage services that prevent family separation provided by the LSSs in that county. The costs related to the transferred staff refer to personnel costs to be incurred from local budgets, while those transferred to services belonging to the GDSACP will continue to have the same funding source.
Data sources for the budget impact analysis

- National Authority for the Protection of Children’s Rights and Adoption
- Hope and Homes for Children Romania
- General Directorates for Social Assistance and Child Protection in the counties
- National Agency for Payments and Social Inspection
- G.D. no. 23/2010, regarding the approval of cost standards for social services, with its subsequent amendments.

Current situation

According to NAPCRA data\(^1\), at the end of 2017 there are still 189 classical and modulated residential institutions in Romania (both public and those ran by authorised private bodies - APB), housing 6,974 children. Approximately half of these children have a certificate of disability.

According to Law no.272/2004, children younger than 2 years of age should not be placed in these residential institutions. However, according to data provided by World Bank\(^2\), 2% of the children from old-type or modulated residential institutions are aged between 0 and 2 years.

\(^1\) Statistical buleting of NAPCRA, available on [www.copilul.ro](http://www.copilul.ro)

\(^2\) World Bank, 2017. A possible explanation is that some of these children have a degree of disability that requires specialised care.
During those four years, from 2014 to 2017, 18 old-type residential institutions from the public system were closed down, along with a modulated institution, while four other modulated institutions were opened. In the APB system, six old-type institutions were closed and one was opened and two modulated institutions were closed and one was opened, as well.

In total, in four years’ time the number of old-type and modulated residential institutions decreased only by 21.
“2014-2020 National Strategy for the Protection and Promotion of Children’s Rights” claims that, by 2020, Romania aims to close down all old-type residential institutions. However, during the last four years only 21 residential institutions were closed down and the children placed in the 1,152 Mother & Baby Units, family-type homes and family-type apartments existing in 2017, both public and private.

The NAPCRA report from 2016\(^3\) emphasizes that their aim for the 2017-2018 interval was to close down "at least nine old-type/classical institutions for children and develop residential services that provide an environment as close to the family one as possible (at least 36 new family-type homes

and/or apartments and at least five Day Centres).”

Until now, the official data show that in 2017 only one public old-type residential institution and two institutions administered by APB were closed, but another two modulated institutions were opened. Three family-type apartments were closed down and only three family-type homes were developed. The number of services administered by APBs decreased by 14: a family-type apartment was closed, along with 12 family-type homes and a Mother&Baby Unit.

Old-type residential institutions leave deep trauma in the process of child development and throughout the children’s entire life. Studies⁴ say the same thing, without exception:

⁴Some of the studies that analyse the effects of institutionalisation on child development:


Darabus, S., Pop, D., (2012) *Ghid metodologic în prevenirea separării copilului de familie*, Ed. HHC Romania, Baia Mare  


The care in the institutional environment leads inevitably to multiple abuse and trauma that leave deep scars in the process of child development. The lack of interaction, which is specific to institutionalisation, leads to the atrophy of neural connections and stunts their development, unlike what happens during the typical interaction between child and parent. A child deprived of constant attention from an adult ends up suffering from the institutionalisation syndrome and the toxic stress syndrome, which leads to insufficient development of areas in the brain responsible for self-esteem, self-confidence, affection, attachment, development of long-term relationships, ambition, empathy or the ability to cope with extreme situations - to name but a few of the perverse effects of institutionalisation on children.

**Documented effects of institutionalisation on children** include, but are not limited to:

- Delays in physical development: poor state of health; muscle atrophy; lack of physical development, caused by deprivation of affection.
- Delays in emotional development: autism and autistic tendencies; self-stimulation, including rocking and aggressive and self-harming tendencies; inability to develop and maintain healthy relationships; indiscriminate affection; incapacity to distinguish between healthy and unhealthy physical contacts; poorly developed or non-existing survival and self-defence mechanisms; high levels of frustration.
• Delays in intelectual development: low attention span and limited ability to concentrate; stifled creativity; limited interaction abilities; poor academic performance, including low level of knowledge.

• Significant delays in communication.

• Delays in social development: naïvety (credulity); lack of feeling of belonging; underdeveloped and distorted self-image and low self-esteem; limited social skills; lack of self-confidence and trust in those around them; difficulties in establishing and maintaining interpersonal relationships. Developmental delays lead to low self-esteem and fragmented identity for children growing up in institutions.

Developmental delays are significantly exacerbated and lead to frustrations that are hard to imagine for children and also for the adults that work with them in institutions. Unfortunately, this results too often in abuse and the children are again the ones to suffer from it. In Romania, children with special needs, which also include children with mental health issues, represent most of the children that are still raised in institutions. Limited access to specialised treatment for children with mental health issues is only a small part of the suffering that the children have to endure through institutionalisation. They are not represented, they have no proper services and ways in which their rights can be respected and protected. Once they enter institutions, they need a long time to get out, unless they move on to institutions for adults, without any chance of achieving their potential and remaining trapped in a nightmarish life. Their care in institutions is harmful, costly and inefficient and the children are suffering,
devoid of dignity and the affection that is so important for their development.

“2014-2020 National Strategy for the Protection and Promotion of Children’s Rights” also mentions the prevention of child separation from their family. The Romanian state aims to: ”reduce by 30% the number of children temporarily or permanently separated from their family” and ”at least 25% of the children exposed to the risk of being separated from their family will not enter the child protection system”. Also: ”children with parents working abroad should have access to support services and psychological counselling services in schools.”

At the end of 2016, according to the NAPCRA activity report, there were 95,308 children with parents living abroad, of which 32,330 had both parents away or were part of a single-parent family and the parent was abroad. Apart from these children, there is a large number of children in difficult situations, those living below the poverty line and whose separation from their parents is imminent. According to World Bank, a third of the children in Romania live in poverty and the rate of child poverty is on the rise. The situation is alarming especially in the rural areas where, according to World Bank, one of two children lives in poverty, running the risk of being separated from their family.

In Romania, prevention services are still underdeveloped, and only less than half of the existing ones are functional. In total, at the end of 2016, there were 1,096 functional prevention services, with 56,550 beneficiaries. All this while considering that at least 900,000 people surviving in marginalised rural and urban communities are in critical need of prevention services.
5 NAPCRA Activity report 2017
6 World Bank: Children from the child protection system, 2016, pag. 14
7 Idem
THREE CASE STUDIES THAT DEMONSTRATE THE FUNDAMENTAL BENEFICIAL ROLE OF THE INTERVENTION TO PREVENT THE SEPARATION OF CHILDREN FROM THEIR FAMILY

Case study 1

Ilie is 28 years old and he was in state care until the age of 20. Now he is married and has 3 children. His wife has a chronic eye problem, which prevents her from finding a job. The family lived in a rented home and Ilie tried to start a business by opening a barber’s shop. For a while, the money he made there and his wife’s disability allowance represented the family’s only income, which was not enough to cover the rent of their home and maintain the business going (materials, maintenance costs, etc.). The risk of going bankrupt meant lack of income for the family and an imminent risk of institutionalisation for Ilie’s children.

Ilie asked for help in order to avoid the risk of institutionalising his children and to maintain his income (which was the family’s safety net). The local authorities and our experts intervened and facilitated the family’s access to a (low rent) council house, which he renovated and equipped with our help. Until the family moved into their new home, the costs with the rent for the barber’s shop and their home were covered, which allowed Ilie to maintain his business, to cover the family’s basic needs and to purchase the items they needed in their new house. Ilie also found a different location for his business (better equipped and positioned) for the same amount of rent, which also helped him develop his business.

At the moment, Ilie has overcome the challenges and his income allows him to support his family and to continue to develop his business. The children are in school/kindergarten and the family’s crisis situation, which lasted for about a
year, has been successfully overcome.
Case study 2

A mother of five living in a village became pregnant with her 6th child. Because she neglected to monitor the pregnancy, when she gave birth, she realised she did not give birth to one child, but to four, which took a heavy toll on the family. Although having the experiencee of raising 5 children, the parents felt they could not cope with raising 4 more, both financially and psychologically. After discussing with the authorities' representatives, it transpired that the psychological and financial pressure on the family could lead to the temporary or even permanent institutionalisation of the four children. The risk level was even higher because the father of the children had given up his job, which significantly reduced the family's income.

This was the moment when our specialists, together with the local authorities and the community intervened to support the family. The priority was to create space for the new family members, therefore we offered our help to renovate and equip a room (which was unused up to that point). We also supplemented the babies' diet with powder milk and the family also received clothes and toys for the children. As the father decided to help his wife raise the children and gave up his job, the family was supported in purchasing a few farm animals (a cow, pigs, poultry) in order to diversify their diet and to save money.

The four babies are now with their siblings, at home. Overcoming a difficult situation - with an important help from their extended family, the parents and their nine children are more united than ever. The material support and especially the counselling they received throughout the intervention enabled the parents to regain their self-confidence.

Case study 3

The death of Mariana's husband rocked her world to its core. Her inlaws evicted her and her five children from their family home. Mariana managed to find temporary lodgings in a rented house. This solution was not a long-term one, therefore the authorities acted on their own initiative and started a community project to build the family a house, on a piece of land that the family owned. Despite all the efforts, the building work did not advance beyond the
construction of the walls. The situation turned into a real problem when the mother was told to leave the rented house, because it was going to be sold. At this point, the risk for the children to become institutionalised was imminent.

We intervened and, together with the local authorities, we resumed and completed the building work exactly when Mariana had to leave the rented house. The construction work was carried out by our organisation - which provided the building materials and the items necessary to equip the house - and the local authorities, who involved members from the community and the family to provide the manual labour.

The family are now living in their new home, taking care of their household and of the garden around the house. The children continued to attend school, and thus school abandonment was avoided. The oldest son - who will graduate from high school soon - is looking for a job in order to supplement the family’s income. Although additional intervention was required (food supplies, hygiene items, school supplies), the family is now enjoying not only a new house, but also a new home.

For 16 years, between 2001 and 2017, Hope and Homes for Children intervened in the lives of 9,266 children where there was an imminent risk for their separation from their family and for another 1,929 children, for whom they provided family reintegration and social and professional integration services.

We can consider these actions as a pilot project for what should be the official policy of the Romanian state authorities with regards to the prevention of separating children from their families and to preventing children from entering state care.

In this report, we used the 9,266 cases to assess:

- the size of the intervention;
- the types of intervention requested the most - each family received
personalised support as a result of the social inquiries carried out by the social workers who came into contact with these families;
➢ the impact of these interventions in the lives of the families supported.

One can assess both the positive emotional impact and the effect on child development for a child who remains with their birth family instead of being taken from their parents and placed in state care with devastating traumatic effects (and these positive aspects being extremely beneficial for the children, but they are intangible), and also the global costs saved by the society as a whole for maintaining these children with their families and not placing them in state care.

It is worth mentioning that in all cases where they intervened, Hope and Homes for Children also investigated the opportunity for the children to remain with their family - obviously, it is never recommended to keep a child with a family where there is a real potential of child abuse.

We recommend the implementation of policies to prevent family separation where the temporary poor financial situation is the obvious cause for a very likely separation between children and their parents. We also recommend the intervention to prevent family separation in situations when the lack of such an intervention would lead to the inevitable placement of children in state care and, implicitly, their separation from their parents and natural family
The living conditions represent the most severe problem encountered by these families and the support was individualised for each and every family, based on their needs, by means of social assessments in the field, at the families' place of residence. Apart from improving the families' living conditions, we also supported them with food, hygiene products, clothes, medical services or covering expenses related to the children's education. We can say with certainty that without the prevention interventions, most of these families would have been separated and the children placed in state care, as one of the basic criteria for the prevention programme is that the lack of intervention would inevitably separate the children from their parents.

<table>
<thead>
<tr>
<th>Number of children in prevention</th>
<th>9,266</th>
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<tbody>
<tr>
<td>Number of children in reintegration and social and professional integration programmes</td>
<td>1,929</td>
</tr>
<tr>
<td>Total amount for prevention services</td>
<td>7,763,852</td>
</tr>
<tr>
<td>Total amount - services for social and professional integration</td>
<td>2,905,792</td>
</tr>
<tr>
<td>Prevention cost /child</td>
<td>837,886</td>
</tr>
<tr>
<td>Reintegration and social and professional integration cost/child</td>
<td>1,506,372</td>
</tr>
</tbody>
</table>

Table 1 - Prevention actions implemented by Hope and Homes for Children Romania, 2001-2017 (source: Hope and Homes for Children Romania)
For each child, the average cost with prevention interventions coming from Hope and Homes for Children is of 837 Euro/year, in other words 70 Euro/month.
On average, a child needs approximately 3 years of intervention in the programme to prevent family separation, so the total cost/child/total duration of intervention is of 2,511 Euro.

To compare, the cost per child in state care (being separated from their family) is of 6,720 Euro/year, which is 560 Euro/month. On average, once a child enters state care, he/she will remain in the system for about eight years, which brings the total cost/child/total duration of placement in state care to 53,760 Euro.

In conclusion, the amount of money spent by the Romanian authorities with the placement of one child - which entails the separation of that child from his/her birth family and exposing them to trauma that is beyond belief for anyone not experiencing such a nightmare - is equivalent to the cost for preventing family separation for 21 children. These 21 children would remain to enjoy the safety of their natural family environment, which will lead to the exponential growth of their chances for social and professional integration, once they reach adulthood, and would ensure the quality of life and parental love that each child desperately needs.

Apart from the children's emotional health, a law that regulates the prevention of family separation, with a secondary legislation that details the intervention methodology and the real funding sources through the state budget, would allow a massive reallocation of the resources currently spent on the traumatic institutionalisation of children by placing them in state care and in institutions.

Public social expenses in Romania
Romania allocates approximately 11% from the gross domestic product to social-related expenses. This percentage was relatively stable during the last five years and was maintained for 2018 as well.

Given the total amount of public expenditure, the percentage of the social expenses is close to a third of the total. Basically, for every 3 lei spent out of public sources, 1 leu goes to welfare benefits and social securities.

Compared to the other EU member states, the level of social expenses in Romania is relatively low, both as a percentage of GDP and as part of the total public expenditure. Considering our country’s budgetary framework which has a rather low level of public income and expenses, it is highly unlikely for the percentage of funds allocated to the social sector to significantly increase in the following years. However, an improvement in the efficiency on the way these funds are used remains a priority expressed in all national strategic documents.

In 2018, the total of public social expenses exceeds 105 billion lei. They include both expenses related to the staff working in social services and the goods and services they require, as well as all the pensions and the social benefits provided to different categories of beneficiaries. The central administration manages approximately 90% of the total, while the rest of 10% is managed by the local administration [Figure 3].
The central government expenses include the payments made under the expenditure title of “Social assistance” by the Ministry of Labor and Social Justice (MMJS), including secondary and tertiary authorities, the Ministry of Internal Affairs (M.I.A.) and the Ministry of National Defense (MND). The data for the year 2018 were estimated based on the budget execution from November 2018. Regarding the local administration, the estimate covers the expenses in the budget chapter "Security and social assistance", in order to capture the resources allocated to the functioning of social services. The values for the year 2018 were estimated based on: the execution of the local budgets for the year 2017, the amounts broken down for the child protection systems and people with disabilities, provided in the law of the state budget for the year 2018, the transfers to the county councils for the payment of the allowances for the people with disabilities and transfers from the reserve fund available to the Government for child protection systems and people with disabilities, approved in 2018.

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8 The central government expenses include the payments made under the expenditure title of “Social assistance” by the Ministry of Labor and Social Justice (MMJS), including secondary and tertiary authorities, the Ministry of Internal Affairs (M.I.A.) and the Ministry of National Defense (MND). The data for the year 2018 were estimated based on the budget execution from November 2018. Regarding the local administration, the estimate covers the expenses in the budget chapter "Security and social assistance", in order to capture the resources allocated to the functioning of social services. The values for the year 2018 were estimated based on: the execution of the local budgets for the year 2017, the amounts broken down for the child protection systems and people with disabilities, provided in the law of the state budget for the year 2018, the transfers to the county councils for the payment of the allowances for the people with disabilities and transfers from the reserve fund available to the Government for child protection systems and people with disabilities, approved in 2018.
Of the total public social expenses in our country, three quarters are allocated to pensions. Another 16% are for a large variety of social benefits and only 5% are allocated to the functioning of services for child protection, for people with disabilities and for the elderly (Figure 4). The latter are incurred by the local budgets, especially county budgets, both from their own income as well as from transfers from the state budget, namely for child protection systems and people with disabilities.

Figure 4 - Social expenditure, according to category (2018 estimate, bil. lei) (source: M.P.F., http://www.transparenta-bugetara.gov.ro, Law no. 2/2018 of the state budget for 2018, with its subsequent amendments) 9

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9 Pension expenses include both the amounts paid from the state social security budget and the
MLSJ budget, as well as the special pensions of the police and military personnel from the M.I.A. and MND.
The provision of social services was decentralised at the end of the 1990s. The main actors responsible for it are the county councils, who manage the child protection systems, the systems for people with special needs and for the elderly. The town halls have attributions related to primary services (prevention, home services, social inquiries), payment of allowances to personal assistants for people with disabilities and social aids established at local level.

Of the total of approximately 12 billion lei estimated to be spent in the social field in 2018 from local budgets, including both expenditures for the functioning of social services, as well as for social benefits and allowances, two thirds are directed to the system of protection of people with disabilities.

The child protection system is allocated approximately 3,3 billion lei, namely 27.5% of the total social local expenses or 3% of the total national expenses (Figure 5).

Expenses related to social benefits include those incurred by the National Agency for Social Benefits (e.g. child allowance, child-raising allowance, welfare benefits, family support allowance), by the National Health Insurance House (medical leave), National House for Public Pensions (survivors’ aid) and local budgets (allowances for people with disabilities and other social benefits).
Figure 5 - Social expenses from local budgets, according to destination (2018 estimate, bil. lei) source: M.P.F.\textsuperscript{10}

\textsuperscript{10}The values represent estimates made based on the executions of the general budget consolidated in 2018 published by the Ministry of Public Finance, the execution of the MLSJ budget (namely transfers to the county budgets regarding the allowances for people with disabilities), as well as the execution of the local budgets for 2017, adjusted with the measures stipulated by the legislation in effect regarding the remuneration of staff from public institutions.
PRESENTATION OF REFORM SCENARIOS.

THE ROLE OF PREVENTING FAMILY SEPARATION IN DESIGNING THE SOCIAL PROTECTION SYSTEM

The public child protection system in Romania is based on the 48 general directorates for social assistance and child protection in counties and in the sectors of Bucharest (GDSACP). These directorates provide most of the specific services for children in old-type residential institutions or the family-type services. In each of the 189 old-type institutions currently functioning, there are, on average, 4 entries and 4.5 exits from the system every year.

Non-governmental organisations contribute significantly to prevention, de-institutionalisation and subsequent support provided to young adults who leave state care.

Between 2001 and 2017, Hope and Homes for Children Romania alone directly managed 9,266 cases of preventing family separation in 19 counties, in other words an average of 35 direct cases per county each year.

The same organisation contributed to the closure of 56 institutions between 2001 and 2018 and has planned to close down five old-type institutions per year until 2027. With regards to post-institutional support, Hope and Homes for Children supports, on average, 14 young adults leaving state care per county, every year.
This report presents the results of two public policy scenarios regarding the reform of the residential institutional child protection system.

Both scenarios were designed taking into account only the old-type residential system, consisting of institutions publicly or privately owned (authorised private bodies). The chapter entitled "The Methodology for Calculating the Budgetary Impact" provides a detailed presentation of entry data, variables and calculated indicators.

The objective of elaborating the two scenarios was to calculate the budgetary impact of the existing public policy options.

The time interval for the two scenarios is of ten years, namely 2018-2027. Their main variable is the number of old-type residential institutions closed. The main actors in this process are the general directorates for social assistance and child protection at county level and at the level of sectors in Bucharest (GDSACP), social services at local level (LSS) and non-governmental organisations (NGOs) active in this field. Together or on their own, GDSACPs and NGOs close down old-type residential institutions, funding this process either from the state budget, with grands from the EU or with their own funds.
SCENARIO 1 – Reform achieved in the current rhythm

In the first scenario, the total number of old-type residential institutions closed down within the timeframe under analysis is of 100. Largely, this scenario envisions the continuity of the current policies with a reduced number of institutions closed down by the GDSACPs and by two NGOs. An important contribution to this scenario is provided by the Regional Operational Programme (ROP), which provides funding for the closure of 50 old-type residential institutions.

The proactive de-institutionalisation measures in this scenario do not include preventing family separation, except for the de-institutionalisation programmes implemented by the two NGOs, in partnership with the GDSACPs. This type of activities is expected to take place precisely like the current ones do, without direct financial support provided in a flexible manner and based on the individual needs of the families, whose risk of separation is at a critical level. Without an active public policy funded by the state budget, the intensity of prevention activities will gradually decrease, compared to 2018. The prevention of family separation is forecast in the Human Capital Operational Programme (HCOP), but on a much smaller scale compared to HCOP’s financial power and the real need existing at national level.

The annual rhythm of closing down old-type residential institutions forecast in Scenario 1 is compared to the current one and reflected in Figure 6. However,
between 2020 and 2023 it is more alert, thanks to the implementation of the 50 closure projects for institutions, funded through the Regional Operational Programme. According to this scenario, until 2027, the number of old-type residential institution will decrease by 100, of which 50 will have been closed by the GDSACP with funds from ROP, 40 by the NGOs and 10 by the GDSACP with their
own funds. When 2027 arrives, Romania will not have finalised the de-institutionalisation process and an important number of children will still reside in institutions, living the trauma of institutionalisation.

Figure 6 - The number of old-type residential institutions closed down annually, 2018-2027
As a result of the tendencies predicted in Scenario 1, at the end of the analysis period (in 2027), the number of children from old-type residential institutions will have decreased by almost two thirds, from approximately 7,000 to 2,400 (Figure 7). The number of old-type institutions still functioning will continue to be significant, namely 89.

![Figure 7 - The number of old-type residential institutions and of the institutionalised children, 2017 - 2027](image)

While the 100 institutions are being closed, family-type homes and family-type apartments (FTHs and FTAs) will be purchased or built. They will house a part of the children from the old-type residential institutions closed. In total, it is estimated that 200 FTHs and 100 FTAs will be purchased or built, which will then take on approximately 3,000 children (Figure 8).
Figure 8 - The number of family-type homes and apartments created and children benefitting, 2018 - 2027

At the end of Scenario 1, in 2027, the cumulated number of children remaining in old-type residential institutions and the children transferred into the family-type residential system will be close to 5,400, approximatively 1,600, lower than in 2018.

The difference is explained by the already manifested tendency of a higher number of exits, compared to entries in the system. The number of entries is moderately decreased by prevention activities, which are predicted to reduce in size, due to a lack of a stimulating framework for activities to prevent family separation based on proper public funding (Figure 9).
Children in/out children benefitting from prevention services

<table>
<thead>
<tr>
<th>Year</th>
<th>Children in</th>
<th>Children out</th>
<th>Benefitting Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>368</td>
<td>537</td>
<td>268</td>
</tr>
<tr>
<td>2019</td>
<td>828</td>
<td>16</td>
<td>828</td>
</tr>
<tr>
<td>2020</td>
<td>806</td>
<td>9</td>
<td>806</td>
</tr>
<tr>
<td>2021</td>
<td>765</td>
<td>9</td>
<td>765</td>
</tr>
<tr>
<td>2022</td>
<td>698</td>
<td>8</td>
<td>698</td>
</tr>
<tr>
<td>2023</td>
<td>608</td>
<td>7</td>
<td>608</td>
</tr>
<tr>
<td>2024</td>
<td>491</td>
<td>6</td>
<td>491</td>
</tr>
<tr>
<td>2025</td>
<td>468</td>
<td>6</td>
<td>468</td>
</tr>
<tr>
<td>2026</td>
<td>446</td>
<td>6</td>
<td>446</td>
</tr>
<tr>
<td>2027</td>
<td>423</td>
<td>5</td>
<td>423</td>
</tr>
</tbody>
</table>

Values rounded to nearest integer.
The costs of Scenario 1 consist of the costs of services for children in the residential system, calculated based on cost standards applicable to each type of service and beneficiary, of the staff costs related to prevention activities, the costs incurred by the closure of old-type institutions, of the children exiting the system and of the capital costs for the new Family-Type Homes / Family-Type Apartments.

Current expenses will be relatively constant during the interval, totalling approximatively 230 million lei per year (Figure 10).

As a structure, service-related expenses calculated based on cost standards are marginally decreasing, as a result of a decrease in the total number of children taken into consideration.

Instead, the prevention-related expenses are moderately increasing, as part of the staff working in institutions is transferred to services for preventing family separation, developed within the GDSACP. Capital expenditure for purchasing FTAs/FTHs evolves, while old-type residential institutions are being closed. They register a peak in 2023, when the closure of 21 institutions is estimated to take place, as part of projects funded by the Regional Operational Programme, NGOs and county councils, through general directorates for social assistance
and child protection.

![Figure 10 - Annual expenses of the reform process - Scenario 1](image)

The overwhelming majority of the cummulated expenses in Scenario 1 are oriented towards funding the current services, thus maintaining the current features of the system.
Prevention occupies a marginal place and investments are relevant only during those years when the ROP projects are implemented (Figure 11).

According to the source, public expenses are dominant (83% state budget - cost standards -, 5% local budgets, 6% external grants, through ROP), and the private ones are limited (Figure 12).

Figure 11 - Cummulated expenses of the reform process, according to destination - Scenario 1, 2018 - 2027 (％ in total)
In general, Scenario 1 continues the current tendencies of the child protection residential system during 2018-2027. Except for the projects funded through the Regional Operational Programme (50) and NGOs (40), the number of old-type institutions closed through efforts made by the public system is low (10) and prevention services act out of inertia. Consequently, resources are mainly used to keep children in old-type institutions, with damaging results on their psychological and emotional state and on their integration in the society.
SCENARIO 2 – Accelerating reform

The second scenario envisions the acceleration of the pace of de-institutionalisation in the child protection system. At the same time, a substantial effort is expected to be placed in activities that prevent family separation, which are related to the deinstitutionalisation process and are developed based on the experience of the NGOs that have implemented such activities.

The first precondition is for this scenario to be implemented if there is a joint plan for all the actors in the system about the old-type institutions that will be closed.

A second precondition is to regulate a form of social benefits that is diversified according to the specific needs of the families, for children living in families that are exposed to a critical risk of separation: financial allocation to prevent family separation.

This could be provided to those children and their families over an undetermined period of time, based on the principle "the resource follows the beneficiary", provided they remain in their birth or extended family. It is expected that this social benefit will help the families overcome their difficult situation caused by material deprivation or by deteriorated/absence of decent living conditions. In the budget impact analysis an average period of three years was considered when granting the social benefit to maintain children with their families (funding the prevention of family separation).
Preventing family separation: the need for diversified funding, according to the individual needs of the families, which would eliminate the risk of separation

Basic principles in preventing family separation

- Children remain with their families, except for situations when their best interest is affected (by their exposure to abuse and neglect);
- The need for interventions is guided by the risk of unavoidable family separation, in the absence of prevention interventions;
- Adapting the interventions to specific individual situations;

Implementation criteria for prevention programmes

- Following an assessment and analysis methodology to correctly define the types and dimensions of the intervention
- Clearly establishing the necessary interventions for preventing family separation
- The existence of a reasonable objective and timeframe to regain financial independence for the family
- Specifying the monitoring activities implemented for those who receive support and their acceptance by the supported family.

Stages of intervention in prevention work. Access to resources

Access to proper resources: supporting parents to find employment and to ensure proper living conditions, through a set of measures (supporting low-income families by providing money for sustenance, for material resources, food, clothing, hygiene products, proper benefits such as tax cuts, tax reliefs, special allowances for families in crisis situations, proper living conditions and a scheme of guaranteed minimum income).

- Assessment of the child, family and context
• Intervention plan and measures to support children and families
• Type/duration/frequency of the intervention
• Expected results
• Monitoring: duration, frequency
• Housing support.

Housing details

Building/purchasing social housing for families undergoing the imminent risk of being separated from their children, who have high chances of returning to being independent from the social protection systems, once social housing is provided for them. The social housing units will not be donated, but provided for free use over an undetermined period of time.

Based on the types of vulnerable and extremely vulnerable families, social housing represents the critical factor that often makes the difference between the ability and inability to be socially active, together with another critical factor - employment.

• Conditions for allocating social housing (housing law and assessment of the LSS/GDSACP social services);
• Patrimony on the social housing
• Allocation methods - donations, rent
• Placement of the local housing units
• Duration for allocating social housing units
• Finalizing the intervention - monitoring.

Financial interventions in preventing family separation

Necessary costs to identify vulnerable families exposed to the imminent risk of separation; assessing needs and developing personalised intervention plans; specific financial interventions for family support:

• payment of rent and taxes
• advisory
• home repairings / allocating money for interventions in crisis situations,
• purchasing/ allocating social housing, expending and renovating homes, according to the basic needs identified. Such proactive interventions are intended for situations when the separation of children from their family is imminent.
• specific conditions
• type of intervention
• duration
• destination
• allocation (local budget, county budget, central budget).

Interventions to prevent family separation will include, but will not be limited to:

- Investment in the purchasing/ building/ renting apartments and social housing to prevent family separation, to facilitate the social inclusion and integration of families in very vulnerable and critical situations, that can cause the separation of children from their families.
- Financing interventions in preventing the separation of children from their family can be actually done by allocating forms of material support: covering rent costs, costs related to food, clothing, current expenses for those families in critical situations, where their separation from their children is imminent and for whom public services specialised in the protection of children and families at county and local level propose such intervention measures.

By 2027, all old-type residential institutions will have been closed. The NGO sector will have had a major contribution, closing on average 10 old-type residential institutions per year, which amounts to 90 institutions. The public sector will close 50 such institutions, through projects funded by the Regional Operational Programme and another 14 institutions will close naturally, as a
result of a decrease in the number of children (Figure 13).

Figure 13 - The number of old-type residential institutions closed annually, 2018 – 2027

As a result of the interventions projected in Scenario 2 to accelerate the reform, by the end of the 10-year analysis interval, no child will have remained in old-type residential institutions. (Figure 14).
Considering that the available resources for foster care are decreasing, the scenario envisions transferring into family-type homes and apartments from the closed old-type residential institutions those children who cannot be reintegrated, adopted, placed in foster care or with extended families or other families. The number of necessary FTHs and FTAs is correlated with that of the old-type institutions closed.

It is estimated that 283 Family-Type Homes and 144 Family-Type Apartments will be necessary.

By the end of the analysis period, more than 4,200 children will be residing in a Family-Type Home or a Family-Type Apartment (Figure 15).
Figure 15 - The number of family-type residential units developed and number of children benefitting, 2018 – 2027

Compared to Scenario 1, the number of children remaining in the system in 2027 is 20% lower, thanks to the impact made on the entries in the child protection system by activities to prevent family separation (Figure 16). These will reduce the entries into old-type institutions by at least 2,500 children, compared to Scenario 1.
The costs of Scenario 2 - "Acceleration" - are more diverse than those of Scenario 1 - "Continuity". Their total value is 10% higher (+240 million lei for the entire 2018 – 2027 interval), but the percentage is highly influenced by the superior investments. They will consist of the functioning costs of the FTHs/FTAs, funded by cost standards from the state budget, expenses related to activities for preventing family separation, to the closure of old-type residential institutions and to purchasing FTHs/FTAs.

Most of the current expenses continue to be directed towards residential services, but the prevention activities become increasingly important, reaching 40% of the total until 2027 (expenses related to social benefits + expenses related to the staff transferred from the closed old-type residential institutions to departments that prevent the separation of children from their families) (Figure 17).
Cummulatively, between 2018 and 2027, 63% of the expenses will be oriented towards residential services, namely to the functioning of FTAs / FTHs, but these will be on a decreasing trend. Prevention will absorb 21% and the investments will absorb 14%, both values being significantly higher than in Scenario 1 (Figure 18).
Regarding funding sources, the state budget remains a dominant one in Scenario one, funding the functioning of the FTAs/FTHs (through cost standards) and the social benefits to prevent family separation. However, the role of the NGO sector remains an essential one, due to its involvement in several projects to close down old-type residential institutions and to purchase FTAs/FTHs (Figure 19). Cumulatively, the effort made by the NGOs cover 10% of the reform costs, stipulated in Scenario 2.
Scenario 2 ("Accelerating reform") determines a change in the paradigm of child protection services, as a result of the emphasis placed on preventing the separation of children from their families through targeted financial interventions and dedicated human resources.

Following the implementation of Scenario 2, old-type residential institutions disappear and the number of entries in the system decreases dramatically. In this way, the conditions for an additional reduction of the family-type residential component are created in the post-2027 period. At the same time, Scenario 2 lays the groundwork for the funding structure, reducing the percentage of expenses incurred with residential services and increasing it for the one related to the prevention of family separation.
Regarding the impact, the "Acceleration" Scenario is superior to the "Continuity" one, because it shifts the emphasis from the services provided in residential institutions to the services preventing family separation in local communities and in families. The societal and individual benefits of keeping children in families exponentially outweigh the additional costs generated by this scenario.

COMPARATIVE ANALYSIS OF RESULTS

The comparative analysis of the two public policy scenarios shows significant differences between them. In 2027, almost 90 old-type residential institutions will still exist, according to the first scenario ("Continuity"), but there will be no institutions remaining in the second scenario ("Acceleration") (Figure 20).
The average annual closing rate of old-type institutions is more alert in Scenario 2, resulting in the complete elimination of old-type institutions (Figure 21).
As a result of closing down old-type residential institutions after the implementation of Scenario 2 "Acceleration", children will no longer live in such institutions. The continuation of the current slow pace of the reform will leave approximately 2,400 children in old-type institutions even after 2027, with all the negative consequences stemming from it (Figure 22).
The costs of Scenario 2 "Acceleration" are superior, on the one hand due to higher investment: the number of FHTs/FTAs acquired is 130 higher than in the first scenario.

On the other hand, the expenses incurred with prevention activities contribute to a total higher value of Scenario 2 (Figure 23 and Figure 22).
However, beginning with 2020, Scenario 2 generates inferior costs with the residential services, calculated based on cost standards, as a result of the significant reduction in their size and in the number of children in state care. This is auspicious for the long-term funding structure of child protection services, signalling a reduction in the residential component, which is one that generates rigid expenses (Figure 24).
In general, although they are 10% higher for the entire 2018 – 2027 interval (+240 million lei), the costs of the "Acceleration" Scenario anticipate the change in paradigm for the child protection system, namely:

- shifting the weight from old-type residential institutions towards the community and families,
- reducing the proportion of residential services and
- developing services dedicated to preventing family separation.

Although it is harder to quantify, the benefits for the society in raising children with families, instead of in old-type residential institutions, are much higher than the extra costs generated by the activities to prevent family separation.
Figure 25 - Cummulated expenses of the reform process according to old-type residential institutions, 2018 – 2027.
RECOMMENDATIONS

1. We recommend the adoption of a public policy to prevent family separation, which can provide direct financial, material and flexible support, according to specific situations, especially when poverty or lack of housing are the main causes for a possible separation between children and their parents.

2. Renouncing the rigid and anachronistic system of allocating funds for social assistance and social protection on two distinct financing levels and merging them into a single source of funding, through the State Budget Law: a level of the beneficiaries in state care (within the general directorates for social assistance, child protection and protection of people with disabilities) and a second level, that of the beneficiaries of allowances, welfare and social aid (within the local social services).

This system, which is totally cut off from the realities in the field, leads to the existence of those 900,000 people surviving in marginalised communities in Romania and to hundreds of thousands of children exposed to the risk of family separation and placement in state care. Instead of the two separate funding lines, one for the county councils, the other for the local councils, a single funding line should be created by merging the amounts existing in the two sources and this single
source should also allow the allocation of sums for the prevention of family separation, the acquisition of social housing for families at risk of separation, as well as the direct support of young adults who are leaving state care every year.
3. Providing diversified social benefits over an undetermined period of time, according to the specific needs of the families with children exposed to the risk of separation, based on the principle of "resources following beneficiaries", provided the children remain with their birth or extended family. It is anticipated that this social benefit will help the families overcome the difficult situations caused by material shortcomings or by the deteriorated/absence of decent living conditions. In the budget impact analysis, an average period of three years was considered for the provision of the social benefit offered, to keep children with their families.

4. Creating a significant number of social housing units that would meet the critical need at the level of marginalised and isolated communities, providing an elementary form of protection to the 900,000 people surviving in marginalised communities, beneath the poverty line.

5. Creating a stand-alone public policy for the support of young people leaving state care, because about 2,500 young adults end up in this extreme situation every year, without any housing or survival alternative.
Redefining the category of "welfare recipients" and clarifying the types of beneficiaries that fall (or not) in the category of those receiving welfare benefits: every year, 10 billion lei is spent from the state budget on those 6,460,000 people benefitting from the sums falling under the category "welfare benefits and social assistance services", but more than half of those people are children, who receive a state allowance until they turn 18. Therefore, of the total of 6,450,000 people falling under the category of "welfare recipients", almost 5,666,000 are not "welfare recipients". Those we can actually qualify to be called by such name total only 834,000 people, in conclusion only 13% of the so-called "welfare recipients" are truly placeable in this category.

11 Of the total 6,450,000 people:

• 3,700,000 are children receiving state allowance;
• 1,550,000 are people with special needs or individuals caring for people with special needs;
• 278,000 people receive family support allowances (money provided to single-parent families or for families whose income per family member is very low);
• 138,000 are people who receive the child-rearing indemnity;
• 400,000 are people benefitting from the minimum guaranteed income and child-rearing indemnity, which means their health insurance is paid;
• 246,000 only benefit from the minimum guaranteed income;
• 80,000 people receive placement allowances, stimulents, emergency aid and refugee aid;
• 59,000 people receive emergency aid and burial assistance, subsidies for associations and foundations or programmes of national interest.
CONCLUSIONS

1. The state supports approximatively 55,000 children annually in different forms of state care, with costs amounting to about 360 million Euros. The emotional trauma on the children and young adults growing up in the public system, away from their families, is exponentially higher.

2. The social protection legislation should prioritize the idea of maintaining children with their families and changing the paradigm of the child's "special protection" with a paradigm of "family protection". If parents want to keep their children with them, but have no means to feed them, the social assistance system should support them, so that the families remain united.

3. With EUR 837/year/child we supported 9,266 children to remain with their families, through interventions implemented over an average of 3-year periods, which means an average cost of EUR 2,490/child. With EUR 560/month/child, the state keeps a child in state care for 6 to 8 years on average, with a general cost of EUR 53,760/child. For the cost of one child placed in state care and separated from his/her parents, the state could prevent the separation of 20 children from their families. Consequently, even if the number of children supported increases significantly, they will remain at home, with their parents, avoiding horrendous trauma with lifelong consequences. Along with the positive emotional and developmental impact, the global costs saved by the
society as a whole are very high, because these children are not admitted into state care and later on they will not remain captive in the social welfare system, when they become adults: many of the beneficiaries of the child protection system become beneficiaries of different types of social assistance services for adults, once they reach the age of 18.
4. The young adults who leave classic institutions have basic life skills and they rarely manage to find a job or start a family. The suicide rate among them is significantly higher than the general average. One of the basic conditions in supporting these young adults is housing. The development of a national social housing programme for young adults leaving care is a first step towards their real social inclusion.

5. Living conditions, especially the absence of a place to live, represent the most serious problem encountered by families at risk. One of the ways in which complex and long-term trauma generated by separating children from their parents can be stopped and prevented is to introduce a national policy for social housing for poor families, at risk of separation.

6. Apart from the children's emotional health, a law that regulates the prevention of family separation, with a secondary legislation that details the intervention methodology and the real funding sources through the state budget, would allow a massive reallocation of the resources currently spent on the traumatic institutionalisation of children. Such reconfiguration can be achieved by changing the State Budget Law.

7. NGOs bring a major contribution to the reform of the social assistance system through activities to prevent family separation, through family reintegration, adoption, de-institutionalisation, support for young adults leaving state care, research or formal training for public employees.

8. The "Acceleration" scenario determines a shift in the paradigm of the
child protection services, as a result of the emphasis placed on preventing the separation of children from their families, through targeted financial interventions and dedicated human resources. Following its implementation, old-type residential institutions disappear and the number of entries in the system dramatically decreases.

9. In terms of impact, the "Acceleration" Scenario is superior to the "Continuity" one, because it shifts the emphasis from the services provided in residential institutions to the services for preventing family separation in local communities and in families. The societal and individual benefits of keeping children in families exponentially outweigh the additional costs generated by this scenario. In general, although their total value is 10% higher for the entire 2018 – 2027 interval (+240 million lei), the costs of the "Acceleration" Scenario anticipates the paradigm shift of the child protection system, namely:

10. Reducing the percentage of residential services and developing diversified services and interventions dedicated to preventing family separation is a necessary paradigm shift in the child protection system.
Eventually, the vision presented in this study is that every child belongs "at home", with their family. Where this is not possible to be achieved, the solution is definitely not institutionalisation, but placing the child in an environment that is as close to a family one as possible: first of all, there is adoption. If that is not possible, then there is the simple placement in the extended family or a placement with a different family, one that is willing to provide that child with a family environment. If this second option is not possible either, then there is the placement in foster care or specialised foster care for children with special needs - there are other solutions.

The more time a child spends in the same type of placement with the same significant adults, the better, because attachment and affection are essential for the development of every child. Where this type of placement is not a viable solution, there is the option of the family-type home or family-type apartment, in which a maximum of 12 or 6 children are placed, respectively.

We believe that the forms of placement should stop here, because placing children in services with more than 12 others can no longer represent an environment that is remotely close to the family one. We also believe that, according to the same principle regarding the family environment, even the current maximum number of 12 children per family-type home is high. And in the case of children with special needs, this number is very high. Therefore, in the following years, the standard regarding the number of children placed in a family-type home should accept a maximum of 8 children and in the case of special needs children, a maximum of 6. This objective, which will lead to an
increase in the quality of life for these children, can be reached in the years to come by the gradual decrease, often a natural one, of the number of children placed in family-type homes, due to the reduction of the number of children placed in state care. This reduction will take place only by introducing a national programme to prevent the separation of children from their family.
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