



**Project  
Social Protection  
Assessment for Values  
and Effectiveness - SAVE**



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# **DEINSTITUTIONALIZATION IN SERBIA**

**RESULTS GAINED SO FAR AND RECOMMENDATIONS  
FOR FUTURE IMPROVEMENT**



Republic Institute for Social Protection

Belgrade, January 2016.

# **Deinstitutionalization in Serbia - results gained so far and recommendations for future improvement**

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## **P r e f a c e**

The study "De-institutionalization in Serbia - the results achieved so far and recommendations for further improvement of the process" was created as a result of activities within the project „Social Protection Assessment for Values and Effectiveness - SAVE", supported by the European Commission. SAVE is the first project in Serbia within the framework of the PROGRESS program which dealt with the cost effectiveness and efficiency of the work of social protection systems (de-institutionalization - DI). Republic Institute for Social Protection implemented this project in cooperation with the European Centre for Social Welfare Policy and Research, Vienna, Austria.

Project activities have resulted in recommendations for further improvement of the process of de-institutionalization in Serbia and those recommendations are contained in a study that is in front of you.

In the 18 months that realization of the project lasted, it was made the desk-top analysis of the policy of DI process in Serbia (effectiveness and sustainability of the process so far), the main obstacles in the process of deinstitutionalization have been identified, the most important expectations and adverse effects of DI have been recognized and underlined. It was also organized the knowledge exchange and mutual learning through comparative analysis of the experience of DI in the EU and the Western Balkan region, in neighboring countries and has been developed the proposal of new measures for further improvement of DI in Serbia.

An overview of examples of good practices and lessons learned from the EU and the region, done in cooperation with the team of experts from the European Centre for Social Welfare Policy and Research has provided a special contribution to the recommendations.

The recommendations and conclusions arising from the reports, workshops, study visits and the final conference will serve to policy and decision makers, to academics, experts and practitioners to actively participate in future policy-making and implementation of DI process in Serbia, guided by the principles of efficiency and effectiveness.

**Deinstitutionalization of residential social care institutions in Serbia**  
- Current status and recommendations for further improvement  
of the process of deinstitutionalization -

**Ljubomir Pejakovic**  
**Gradimir Zajic**

The reform of social protection in Serbia begins after the change of government in 2000. Activities of Ministry of labor, employment and social policy (MLESP) were significant work aimed at formulating directions of reform in the social protection system in Serbia. The Ministry has for this purpose formed a working group composed of experts-government officials, university professors, a representative of NGOs, and both local and international experts. In the period 2001-2003 members of this working group considered all significant issues regarding further steps towards reform. These activities have resulted in "establishing a professional approach in defining the reform strategy in the field of social protection, including the achievement of professional consensus on key reform issues."<sup>1</sup> **One of the most important strategic goals was deinstitutionalization and transformation of institutions for accommodation.**

In the period 2001-2013 deinstitutionalization was done almost continuously with implementation of projects aimed to:

- Reducing the pressure on accommodation in social protection institutions
- Reducing the number of beneficiaries residing in institutions
- Development of services at the local level.

This process also had two important assumptions:

- Transformation of residential institutions,
- Development of alternative forms of social protection.

For the development of alternative forms of social protection, as well as for the development of services at the local level, it was necessary:

- To strengthen family support,
- To support young people leaving institutions for housing,
- To promote living of children and adults in the least restrictive environment, primarily family environment
- Implementation of measure of residential care only in exceptional situations,
- Involvement of the private sector and NGOs in the circle of service providers.

Parallel to this, it was necessary to ***continuously improve quality of life and service for the beneficiaries for which placement in institution was still necessary.***

This analysis will give an overview of implemented activities in the process of deinstitutionalization, identify the main obstacles during implemented activities and of certain measures aimed at de-institutionalization, effects and achieved results in the process so far, lessons learned, finding examples of good practice, committed errors, and to develop the proposal of further measures for improvement and acceleration the process of deinstitutionalization in the future.

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<sup>1</sup> UNICEF report on child protection, author Vera Kovačević – CLDS

## Scope and focus of the Report

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**Overall objective** of the report is to achieve greater understanding of the progress and shortcomings of the process of deinstitutionalization and transformation of social protection and to analyze relevant policies (planned and undertaken measures) that will provide input for the creation of new measures for further support of reform process of social protection in Serbia.

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**Specific objectives** of the report are:

- Examination of the process of deinstitutionalization in the context of the reform, to social protection and other relevant areas,
- Establishment of measurable parameters for the assessment and analysis of the progress of reform,
- Identification of opportunities to accelerate deinstitutionalization process.

The report should also contribute to the preparation of better communication and dialogue among stakeholders in the process of deinstitutionalization and transformation of social care institutions. Therefore, **in terms of content** attention will be focused on the following questions:

1. Reform of environment and relevant policies in which the deinstitutionalization takes place,
2. Planning of social protection and transformation of institutions,
3. Creation of conditions for deinstitutionalization (alternative services in the community, continuum of services, etc.)
4. "Gatekeeping"<sup>2</sup> of services at different levels (national/regional/local)

The above issues will be discussed through:

- **Analysis of the progress** of deinstitutionalization process and transformation of social protection institutions (question of format)
- **Analysis of the deinstitutionalization** policy - planned and undertaken measures for the development of local services and transformation of institutions (question of contents)
- **Analysis of the regulatory mechanism** which consists of three structural components: (1) rules, (2) money and (3) control,
- **Recommendations for the next steps** (question of format and content).

## Methodology

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Report on deinstitutionalization of residential social protection institutions in Serbia (current status and recommendations for further improvement of the process of deinstitutionalization) is based on the analysis of documents and data from secondary sources (desk-top analysis). Conceptual frame is set with determination of deinstitutionalization process in the project.

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<sup>2</sup> The term gatekeeping can be defined as a decision-making system that enables effective and efficient targeting of services to ensure that services are provided only to those who meet clearly defined criteria. Primarily focuses on the needs of the child. An effective gatekeeping implies the existence of a single agency responsible for coordinating the assessment of the situation of the child. The community must be available to the entire range of services to support children and families, in order to prevent institutionalization. At the same time, there must be a set of alternative institutional forms of care replacing the family, such as foster care and adoption). Interpretation of terms taken from the English language, see section Consideration terminology and its implications UNICEF ICDC (2003) Changing Minds, Policies and Lives: Improving Protection of Children in Eastern Europe and Central Asia - Improving Standards of Child Protection Services. Florence: UNICEF ICDC, <http://www.unicef-icdc.org/publications/pdf/improving.pdf> (referred to V. Kovačević, report on child protection in Serbia, CLDS, June 2007)

**Deinstitutionalization is defined as the process of developing alternatives for long-term accommodation in social protection institutions.** Support (protection) of beneficiaries is realized in less isolated forms of social protection in the context of beneficiary care in the community and consists of three components of the process:

- Referral of persons residing in institutions of social protection to alternative homes in the community,
- Redirection (deterrence) of potential placement to alternative forms of protection and
- Development of special services for the care of the non-institutionalized beneficiaries.

The last of these processes is particularly important, because it assumes that changed life circumstances of these people will inevitably lead to a new configuration of services and a better quality of life.

According to this conception, the empirical process of deinstitutionalization can be monitored through key dimensions: (1) changes in the number and structure of the **BENEFICIARIES** of social protection (this dimension is commonly, but incorrectly, called **deinstitutionalization**), (2) changes in the number, structure and operational mode of institutions (structural and functional standards), this dimension is commonly called **transformation of institution** and (3) **the development and availability of community services** for care and support of non-institutionalized social protection beneficiaries.

Distinguishing the "deinstitutionalization" (as reducing the number of beneficiaries in institutions) and "institutional transformation" is useful to avoid simplifying of de-institutionalization and "reduction" measures to "relocation" of beneficiaries or to "change of purpose" of institutions. If we accept the fact that "someone will be at the institution" because it is in the "best interest" (without going into the details of these reasons, the number of users), the transformation of institutions should include changes in conditions (structural standards) and operational mode (functional standards), which would allow to radically change the "position of beneficiaries" in the institution. This dimension of "institutional transformation" is particularly important for "deinstitutionalization of residential homes for the elderly."

In this case, this would mean that "the transformation of institutions" is not only a measure to reduce the number of users in institutions but also the "measures" to improve the position of beneficiaries in them. Such an approach allows multifunctional meaning of the term "transformation institutions" in this context, the observation of "policy" in relation to this aspect of deinstitutionalization **differentiated approach** is desirable to the monitoring and evaluation process of deinstitutionalization.<sup>3</sup>

A differentiated approach to the deinstitutionalization process involves precise definition of "types of institutions," target user groups, the specification of "accommodation services" in accordance with these criteria for qualitative analysis of the process of deinstitutionalization.<sup>4</sup> For a fuller understanding of the process of de-institutionalization is necessary to simultaneously monitor and process development of **community services** for specific types of services, i.e., according to the alternative/replacement services for individual residential services, target user groups and service purposes.

When speaking of **deinstitutionalization** is usually "implies" to content of the process and does not perform the analytical precision between "state" (objective realities) and "treatment" (targeted activities).

<sup>3</sup> This means that it will be different "value" (weight) of each indicator depending of the objectives of the policy of deinstitutionalization (e.g. In Institutions for Children goals refer to "the number of users in institutions" and in homes for the elderly or the "beneficiaries whose necessary accommodation "to" mode "and" user position "residential services).

<sup>4</sup> Example: Change in the structure of the user homes for the elderly (by age and degree of "dependency") refers to the effects of the greater availability of community services (the results of development assistance services in the home and living rooms) but refers to the indicators of "institutional transformation" according to functional standards the "individualization approach" and respect the "rights and interests" of users.

Therefore, the colloquial speech and, sometimes, the public debate are devoid of precision in language and reasoning. It is necessary, therefore, to precisely emphasize that is the subject of research/analysis and **policy of deinstitutionalization** (as target activity) and the **process of de-institutionalization** as "objective fact" that the outcome (effect) of that "targeted activity".

Noticing the specificity of these two dimensions of the process of deinstitutionalization (deinstitutionalization policies as "targeted activity" and the process of deinstitutionalization as "objective givens" in time) use of adequate "Terminology" is very important for clearer and more precise definitions of the research/analysis in the analysis and interpretation of empirical data. A particular problem is the empirical structure for "monitoring" and analysis of the process as a whole (deinstitutionalization) and its key dimensions ("targeted activity" and "effects - objective realities ") especially since it cannot exclude or ignore the effects of certain circumstances and factors outside of these key dimensions (spontaneous process, impact factors "outside" targeted operation, etc.).

Difficulty in implementing consistent conceptual framework represents a hypothetical fact that the **policy of deinstitutionalization** cannot be identified immediately/directly because (a) is not explicitly spelled out, and (b) there is no document/verification of such a policy.

***This, however, does not mean that there is no "targeted operation" towards deinstitutionalization.*** Based on the available empirical material can be identified objectives, measures and activities in the direction of deinstitutionalization. This "indirect" empirical material on the "policy of de-institutionalization" is, in fact, the basis for the assessment/evaluation to reach range of institutionalization (whether it reached targeted), but also individual dimensions of this process ("targeted operation" - ***what and why we want what we want*** and "real process" - ***where we are and whether we have achieved what we wanted***).

In this "indirect" search for "policy of deinstitutionalization," from the standpoint of the process, three important aspects are observed: (1) ***input*** (which we shall include the "concepts", and similar initiatives. Various "stakeholders" in the field of deinstitutionalization), (2) ***regulatory mechanism*** which is, of course, regardless of the degree of "explicitness" policy of deinstitutionalization, a key link in the "targeting of" process, and (3) ***carriers/process agents*** (change) and their "share of the contribution" to "the policy of deinstitutionalization".

The framework for analyzing of deinstitutionalization process is defined in relations ***TARGET – REALITY - POSSIBLE***,<sup>5</sup> where "possible" represents the "critical" parameter for assessing both policy and its outcomes. Assessment of "possible" should be sought not only in the limits but also in resources, i.e. in our "forces" and "opportunities" whose outcomes are contained in the "good practices" of successful deinstitutionalization.

## **Reform context of deinstitutionalization**

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The first reform activities have started in 2003 with early implementation of reform projects that included the necessary systemic changes in social protection, taking into account the demands of the modern theoretical models of social work, as well as the European model of development services and social care services standard.

Projects included the following areas:

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<sup>5</sup> The third dimension (possible) is the subject of economic analysis.

- Development of a model of integrated social protection at the local level,
- Standards and organizations in center for social work,
- **Transformation of residential institutions in the social protection system and development of alternative forms of protection,**
- Strategy development of adoption of family housing,
- Protecting children from abuse and neglect.

In addition, during 2002 and 2003 two separate funds were formed, primarily to support the development of local services - Social Innovation Fund (SIF) and the Fund for organizations of persons with disabilities (FOSI).

The Social Innovation Fund was actually MLESP (Ministry of Labor, Employment and Social Policy) program, which was implemented with the support of UNDP and the large number of donors. Fund for organizations of persons with disabilities is a budget fund that still works.

During the period of reform initiatives and activities in the field of social protection in the Republic of Serbia, new knowledge was created, experience and skills, as well as the potential for wider application and transfer of the social actors who are not involved in their creation.

The adoption of the **Poverty Reduction Strategy (PRS)** in 2003 made an important step, because this document relates largely to the development of effective social protection. The document provides framework for poverty alleviation during the transition. In addition to the treatment of issues of children in different sectors, PRS also contains a separate chapter devoted to reducing child poverty and poverty reduction among youth.

Reform projects, experience of Social Innovation Fund and other initiatives have led to the creation of a critical mass for reform of the social protection of major proportions. Drawing on the experience gained through this initiative, Ministry has developed a **Strategy of social protection reform**<sup>6</sup> and **Government adopted this document in December 2005**, which provided a better use of resources and better outcomes for users of social services, creating conditions for the local government plans and approve appropriate range social care services, with greater emphasis on service to the community.

In addition to these two government strategies, **Strategy for improving the situation of persons with disabilities (2007-2015)**<sup>7</sup> was adopted in 2005, including program necessary for the advancement of children with disabilities. The strategy defines a specific objective: "to all persons with disabilities will be provided social security and full and free enjoyment of this right."

During the Roma Decade (2005-2015), the National Council of the Roma minority (formed in 2003) adopted the **Strategy for Integration and Empowerment of Roma** in 2004.

Of particular importance to the process of deinstitutionalization and transformation of institutions for children and youth was the adoption of the **National Plan of Action for Children 2004-2015 (NPA)**.<sup>8</sup> It is a document that defines the policy towards children in Serbia, which is based on **four principles**:

- Best interests of the child,
- Non-discrimination,
- Right to life, survival and development
- Children participation.

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<sup>6</sup> Official Gazette of the Republic of Serbia, no. 108/2005.

<sup>7</sup> Official Gazette of RS, no. 1/2007

<sup>8</sup> Government has adopted a National Plan of Action for Children in 2004

The plan is based on all relevant Serbian and international documents and focuses on poverty and social exclusion of children in accordance with the broadest definition of poverty and social exclusion. The adoption of the National Plan of Action for Children created the basis for improving the overall protection of children.

Changes are happening also due to political and legislative activities of the National Assembly of the Republic of Serbia.

The National Assembly of Serbia adopted **Law on financial support to families with children**<sup>9</sup> in 2002, and its amendments in 2005. **Families with children with disabilities, single parents, foster parents and guardians are placed in this Law, in a favorable position to encourage the non-institutional protection of children without parental care.**

The adoption of the **Family Law**<sup>10</sup> enhanced the practice of adoption and the adoption of additional Unified personal registry of adoption (2008), which is particularly important for speeding up the process of adoption, which is expected to contribute to a greater number of adopted children without parental care who are placed in institutions.

In September 2005, the National Assembly of Serbia adopted the **Law on juvenile offenders and criminal protection of minors**,<sup>11</sup> which is designated a number of new alternative measures aimed at reducing the number of children in institutions.

In order to improve the situation of disabled people, the National Assembly of Serbia adopted the **Law on Prevention of Discrimination against Persons with Disabilities** in 2006.<sup>12</sup>

Adoption of the **Law on Vocational Rehabilitation and Employment of Persons with Disabilities** in 2009 was significant in the process of deinstitutionalization.<sup>13</sup>

**The adoption of the Law on Foundations of Education** (2009), laid the foundation for the improvement of educational inclusion of children with disabilities, since it established new more flexible admission policy. **Since September 2010, a significantly higher number of children with disabilities enrolled in regular schools.** Special ordinance is adopted on the work of municipal commissions that are supposed to define additional support needed for children/students for social inclusion (as well as social inclusion at all). UNICEF is working on the document for the evaluation of educational inclusion.

In March 2011, the National Assembly of Serbia adopted a new **Law on Social Protection**.<sup>14</sup> The Law integrated a lot of experience and knowledge created as a result of numLEDus projects and initiatives. This law provides the legal framework for the setting of standards for the provision of services and licensing of providers, the transfer of earmarked funds to municipalities for the financing of services within the community, as well as monitoring/control the quality of service provision. Perhaps the most important application of provisions for further deinstitutionalization of the provisions is related to banning accommodation in institutions for children under the age of three years and provisions on special-

<sup>9</sup> Official Gazette of RS, no. 16/2002., 115/2006., 107/2009

<sup>10</sup> Official Gazette of RS, no. 18/2005.

<sup>11</sup> Official Gazette of RS, no. 85/2005

<sup>12</sup> Official Gazette of RS, no. 33/2006

<sup>13</sup> Official Gazette of RS, no. 36/2009.

<sup>14</sup> Official Gazette of RS, no. 24/2011

purpose transfers to local governments. While the first provision is generally respected, the other is not yet regulated by normative rules because Rulebook for dedicated transfer has not yet been adopted by the Ministry. However, Ministry has continued the practice of awarding allocated funds through tenders to local governments and NGOs for the development of local services.

During 2011/12, Ministry has issued a package of bylaws which closer determinate certain provisions of the Law. For the full implementation of the Act it is necessary to create about 15 different Rulebooks.

In addition to the previously adopted policies and laws, the Republic of Serbia adopted (ratified) **Law on Ratification of the Convention on the Rights of Persons with Disabilities and the Law on Ratification of the Optional Protocol to the Convention on the Rights of Persons with Disabilities** in May 2009, thereby international treaty became an integral part of internal law of our country and strengthened already secured protection of persons with disabilities.

### **The process of deinstitutionalization**

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At the beginning of the reform process, the current social security system was based on the Law on Social Protection and Social Security of Citizens, passed on in 1991, who, meanwhile, suffered nine amendments. In that time, with policy of centralization of authority and resources, social protection funds on local and republic level were shut down. Government took over funding and control over the exercise of all rights that are legally defined as a law of general interest. At the same time Institute for Social Policy and the Institute for the study of social problems in Belgrade ceased to operate and their functions were taken over by the Ministry.

Because of the high degree of centralization, lack of funds in the budgets of municipalities and cities, and because of that lack of interest in the social protection system, **community services are not developed in accordance with the needs of citizens**. This led to the **preference of accommodation services to the institution** when it was not necessary, division of institutions by category of beneficiaries and inadequate satisfaction of the needs of a large number of beneficiaries. Namely, centralized approach in planning capacities and financing rights, with insufficient funds at the local level, has created an **irrational network of institutions** which does not correspond to the actual needs of the beneficiaries and does not provide an adequate supply of services. **Broadly defined and applied the right to placement in institution, with the underdevelopment of community services, has led to the isolation of many institutional beneficiaries, for which would other types of services better meet their needs.**

The main reasons for the reform of the social protection system were:

- Underdeveloped network of social services;
- Potential and services of non-profit sector (services provided by persons and legal entities whose founder is not the state, NGOs, socio-humanitarian organizations, associations) in social protection are not adequately developed and used;
- Public social protection institutions and services is centralized, bureaucratic, inflexible, paternalistic and not sufficiently cost-effective and efficient.
- Extremely passive position of citizens and users in the social protection system;

### **Identified problems**

**The services that were provided to children without parental care in institutions of social protection** were incomplete and were not in a position to enable them to live independently. In such a

situation the children remained in institutions too long, leaving them after acquiring adulthood or completion of schooling, usually without further support for independent living.

From a total of 3900 children who were placed in institutions and foster families (about 2100 settled in about 1800 institutions to foster care), **between 40 and 50% of children were found out of place of previous residence.**

**Particularly disadvantaged were children with disabilities who were on the placement of the five existing institutions.** They are most often remained all their life in an institutional environment, so that the institutions that were originally intended for children eventually became institution for adult accommodation too. In these institutions was placed a large number of beneficiaries (from 300 to 650), children and adults ranging from 4 to 50 years or more. In the most institutions the number of beneficiaries was much higher than the number prescribed by norms and standards. Condition of buildings was unsatisfactory, personnel structure established by norms inadequate, and the existing personnel insufficiently trained for the use of modern approaches to work. ***All this has contributed to a significant disrespect of rights of beneficiaries.***

Also, a large number of adults with disabilities and senior citizens unable to satisfy their needs, because in more than 100 municipalities (60%) there was no guaranteed support services in the natural environment. At the same time, in many municipalities there are no accommodation facilities for those where the service is necessary. The capacities to accommodate beneficiaries: people with disabilities, mentally challenged, mentally ill, were insufficient, territorially and functionally inaccessible.

**In the 17 residential institutions for persons with mental disability, the mentally ill and people with physical disabilities 5,574 beneficiaries were accommodated.** Most were accommodated outside their places of residence (between 70-80%).

The number of citizens who need support because of their mental and physical state is larger than that, often due to lack of other services in the local community (day care, a small residential community, etc.), Located in institutions, and their rights were violated because of the failure to meet the existential needs adequately.

Lack of various forms of support in the natural environment, as well as insufficient accommodation capacity is visible with existing services for the elderly. **Around 7.800 beneficiaries are placed in nursing homes and residential institutions.** In some institutions there are waiting lists for admission, but in some communities there is no a possibility for that, because there is no built accommodation capacities. The quality of services in existing institutions was uneven, still did not ensure adequate support for the preservation of mental and physical potential of beneficiaries and improving their quality of life. These institutions accommodated a considerable number of beneficiaries with medical conditions, psychiatric problems and chronic illnesses, until the terminal stages, who were often without adequate material and personnel requirements.

**Beneficiaries of accommodation were often in varying degrees of social isolation.** For some groups of beneficiaries, for which no solution was found in their natural environment, service was provided with accommodation in institutions that do not have adequate programs for them. Thus, young people with disabilities were housed in homes for the elderly; children and young people with mental disorders, excluded from the education system, were placed in homes for persons with disabilities, although their needs, with appropriate support, could be met in the natural environment in better way. Children with problems in social behavior often stay unreasonably long at the shelter.

Such system did not secure necessary conditions for the development of services that are territorially and functionally available to beneficiaries, which they can get in the least restrictive environment.

**All these weaknesses of the system during the implementation of reform projects and activities were identified and solutions are governed by the Development Strategy of Social Protection.**

### **The objectives and planned changes**

The basic directions of change are defined in the Social Protection Development Strategy (2005). The final regulatory framework was given in the new Law on Social Protection, which entered into force in April 2011.

Reform of the accommodation services and thus begin the process of deinstitutionalization is focused in two directions:

- **reviewing existing networks of all forms of accommodation**, with priority development of family housing and social services at the local level;
- **review of the type and quality of accommodation services** which are currently provided in the social protection system, especially at the local level.

Accommodation of children should be kept to a minimum, and direct activities to support of natural family and all forms of protection which allow life in a family environment while preserving and improving parental skills and the return of children with accommodation in the biological family.

To improve the quality of the protection of children using the foster care and adoptions, it is necessary to provide adequate choice of families and their preparation, training and support to ensure the prevention of problems and better lives of children.

Development of accommodation capacities for adults and elderly and beneficiaries with disabilities and mental disabilities in the future should go towards the development of family housing, construction of smaller accommodation capacities, close to the natural environment of the beneficiaries, as well as an increase in type, number and quality of services in institutions and quality and types of services at the local level.

Reviewing the existing network of institutions involves the transformation in the direction of developing other types of services and training of personnel for new work.

To achieve the above objectives, it is envisaged:

- Adoption of medium-term plans for the transformation of institutions and
- Special plans for each institution.

It is envisaged that part of the capacity of institutions should be directed to the development of new services that would serve to improve the quality of life of residents, while at the same time would be and measures for reducing pressure for this kind of service.

### **Transformation of institutions for children**

The immediate planning framework for the process of transformation of social protection institutions contained in the Comprehensive Plan of transformation of **social protection institutions for children and youth** in the Republic of Serbia in period 2009-2013.

A comprehensive plan for the transformation of residential social care institutions for children<sup>15</sup> specifies an **action plan for the transformation of social protection institutions for children and youth** in the Republic of Serbia for the next five years.

Key assumptions of the Comprehensive Plan of transformation are based **on principles that include international documents**, primarily the International Convention on the Rights of the Child and the Convention on the Rights of Persons with Disabilities<sup>16</sup>, as well as the relevant social policy and regulatory framework of the Republic of Serbia.

Comprehensive Plan for the transformation of special importance is **the principle of least restrictive environment i.e. family or closest family environment**, which requires that it should "provide a variety of support services primarily in the natural environment, with a choice of services for beneficiaries/children of the least restrictive."<sup>17</sup>

The plan **relies on the reform concept of social protection**, especially in view of the reduced number of children placed in institutions for children without parental care, increased number of foster families and continued work on the development of social services at community level.

The central themes (target group) of the Comprehensive Plan transformations are children living in residential institutions of social protection.<sup>18</sup> It includes the following target groups:

- Children accommodated in institutions for children with disabilities,
- Children in institutions for children without parental care and
- Children in institutions for the education of children and youth.

**The plan aims to reduce the number of children who are on long-term accommodation through acceleration of exit and deceleration (or stopping) of admission.**

#### The main directions of the transformation of institutions

Plan established criteria for the ranking of residential institutions based on data, individual operational plans for institutions and consultative processes, and they are divided into three groups:

- Residential institutions that are planned for **closure** (with defined term that is realistically estimated)
- Residential institutions which are foreseen for the **reduction of capacity** (defined in new capacity and deadlines for the reduction of capacity - based on projections should be amended Decision on the network),
- Residential institutions that need to be transformed into a **multifunctional center** of the modern type, within which will be provided services for beneficiaries from various groups have the right to social security.

In addition to the third group of residential institutions which **will be transformed into centers with flexible, combined services for the beneficiaries**,<sup>19</sup> there will also be evenly distributed regional

<sup>15</sup> Hereinafter referred to as the Comprehensive Plan of transformation

<sup>16</sup> The Republic of Serbia is a signatory to the Convention, adopted by the National Assembly of the Republic of Serbia, ratified by mid-2009

<sup>17</sup> The Government of the Republic of Serbia. Strategy for Social Protection. Belgrade, 2005

<sup>18</sup> The Law on Social Protection and Social Security of Citizens, residential institutions are called social welfare institutions established by the Republic. A decision on the network of social welfare institutions established by the Republic prescribes in detail the number, type and capacity of institutions. The Comprehensive Plan of transformation will use the term residential facility.

facilities for children awaiting placement in foster care or adoption, as well as for children that cannot be temporarily or permanently placed in a foster family (older age, multiple returns from a foster family).

In order to transform residential institutions supported by the growing number of non-institutional social care services and to improve the availability of these services, ***Comprehensive transformation plan aims to involve various modalities of providing services in the process of transformation of institutions.***

Modalities for the provision of social care services include:

- Open type services provided by social protection institutions,
- Open type services provided by NGOs, with the use of facilities in the transformed residential institution,
- Services provided by NGOs (which includes the local branches of the Red Cross).

All residential institutions for children without parental care **would be transformed into centers that have little capacity for temporary/extended residential accommodation, respite<sup>20</sup>**, as well as day care services, supported housing, group housing, etc. (services that were later incorporated into the new Law on Social Protection and which are consistent with the needs of the local community). The exception is the Children's Village in Kamenica, which would continue to receive children without parental care, but with the opening of facilities and the creation of personnel working with children who have moderate to serious difficulties in developing countries.

The comprehensive plan also addresses the optimal **reallocation of resources**, both human and material.

- **Employees** in residential institutions for children will be covered by individual plans that will predict training and support for career planning, with particular emphasis on the support of deficient professional staff.<sup>21</sup>
- **Objects (buildings)**, as an important part of the material resources, will be renovated or replaced with adequate space after expert evaluation and preparation of detailed price list for sale in accordance with accessibility standards.
- **The ultimate goal** is that the building can respond to the needs of small dormitory community, to which there will be accompanying services for children with moderate, severe and profound disabilities, as well as services at the local level.

#### Outcomes of comprehensive plan

**Outcomes of the Comprehensive Plan** are established mainly in relation to the two types of residential institutions (institutions for children with disabilities and institutions for children without parental care) and are referred to the:

- Number of beneficiaries, who reside in them,
- Expert resources (employees),
- Buildings in which institutions are located.

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<sup>19</sup> Noting that the users of residential facilities, how are put in place alternative forms of care, more children will be with the multiple problems that cannot be solved in non-institutional forms, therefore, difficult and hard to disabled children, children with multiple disabilities and children with neuropsychiatric problems.

<sup>20</sup> Service that provides respite to family that has a child with a disability.

<sup>21</sup> The Comprehensive Plan provides goals of transformation taking into account the need for access to services at local and regional level. Operational plans for each of the institutions will identify infrastructure and personnel maladjustment in relation to the objectives of transformation and will suggest the best ways and financially appropriate adjustments, based primarily on the interests of users.

Expected outcomes for beneficiaries

**A prerequisite for the success of the Plan is the development of alternative forms of social protection at the local community level.** This also applies to the local communities in which the residential facility located at the municipality from which the children were directed to accommodation.<sup>22</sup> The regional distribution of residential institutions and local services took into account the needs and more municipalities (county) are taken as the unit of planning because of economy scale.

In the next five years (2009-2013) it is expected that **all the institutions** which accommodate children without parental care, children with disabilities and children and young people in conflict with the law, **will enter into a process of transformation** or this process will completely change some of them at the end of the five-year period of implementation of the Comprehensive plan for the transformation, the expected relationship between the number of **children without parental care** placed in foster families and the number of children in residential institutions is shown in the following table.

*Children without parental care in institutions and foster families  
- The current state of the five-year projection -*

Accommodation in institutions		Foster family	
Current situation	Five-year projection	Current situation	Five-year projection
800	190	4200	4810

Incentives for the establishment of day care would be designed with the support of SIF or the Fund for Financing Associations of Persons with Disabilities (complementary grants).

Expected outcomes for skilled resources

It should make maximum use of existing professional resources. **Priority represents the redeployment of the social protection system.**

By the end of the implementation of the 2013 Comprehensive Plan for the transformation it was expected from employed in all residential institutions to take advantage of some of the proposed solutions:<sup>23</sup>

- Staying in transformed institution with the possibility of professional training,
- Staying in transformed institution with re-training,
- Employment in the nonprofit sector (service delivery), with the security standards of service, quality control and regular financing,
- Starting their own businesses with the help of which, in the framework of the active employment measures, provided by the National Employment Service (this primarily relates to the support staff and the services that do not fall within the scope of social protection, for example. Bakeries),
- Retirement.

<sup>22</sup> E.g. expect that the South Banat and South Bačka district feel a greater impact transformation of institutions than other districts because they have the largest number of children who are sent to institutions.

<sup>23</sup> Based on operational plans, all employees in residential institutions should get a clear picture about the options, and employees need to provide support to the selected option and use

### Expected outcomes for facilities

For facilities/buildings, which are an important **resource**, **Plan provides for them to be preserved through transformation**. Possible solutions such as:

- Adaptation of buildings to become accessible in accordance with the standards for PWD and could accommodate moderate, severe and difficult handicapped children,
- Replacement of building with another space (e.g., in agreement with the Ministry of Education, where homes for children without parental care share space with students' dormitory)
- Replacement or sale of the building while providing new space in agreement with the municipality in which the residential facility is located.

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The plan predicts only one group habitation in 25% of municipalities (regional distribution taken into account, the priority districts according to the number of children in referral centers - Belgrade, South Backa District (Novi Sad), South Banat (Pančevo), Šumadija district (Kragujevac), Srem (Sremska Mitrovica).

### Plan of steps and process results by the end of 2013

**For the institution for children without parental care** plan predicts that four residential institutions for children without parental care start transformation in 2010. These are Sremska Kamenica, Kragujevac, Niš and Čuprija. Ministry should develop a detailed operational plan<sup>24</sup> for the activities to be undertaken in these institutions during 2010, which includes the financial plan to set aside funds for the necessary reconstruction and expert workers.

For other institutions, at the end of 2009 operational framework plans should have been agreed.

By the end of 2010 should have been a detailed plan for the next group of institutions, those that will enter in transformation in 2011, with developed financial plan until the end of June 2010, which is necessary to carry out reconstruction during 2011.

**When it comes to residential facilities to accommodate children with disabilities**, Kulina is an absolute priority, as follows:

- Detailed operational plan and completion of individual plans for children and employees (end of 2009),
- Relocation of 50 children by 2010, and then continued dislocation with pace of 50 children per year.

**For all other institutions**, detailed operational plans need to be developed for the next group of institutions with the same model and dynamics, where the last group will enter the transformation in 2012. The order of entry in the transformation of institutions is compiled by the Ministry of Labor and Social Policy.

- Beginning of transformation in Veternik, Sremčica, Stamnica, Zvečanska and Kolevka (individual plans for children and employees) - 2010
- Starting the process of planning for closure Knjazevac- by the end of 2010.
- Operational planning completed in all three offices - by the end of 2010.
- Relocation of children who don't have imposed judicial measure from institute to other institutions - by the end of 2010

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<sup>24</sup> For all residential institutions for children without parental care (12 plus Beograd) were prepared operational plans which will be aligned and further developed in line with the dynamics of the process and priorities.

**To make the process of transformation to take predicted pace, the following essential activities was supposed to complete by the end of 2010:**

- Classification of all residential institutions in groups and determination of priorities for transformation (transformation completion in three years, transformation completion in five years, closure);<sup>25</sup>
- Suspension<sup>26</sup> of the admission of new beneficiaries (children with disabilities in institutions slated for closure and for reducing capacity; if more than three children from a personal commitment center awaiting placement in an institution, consider the option of group housing with assistance when it comes to children older children),<sup>27</sup>
- providing capacity for group housing in cities that can accommodate 5-6 children per dwelling unit, in the districts where regional planning is completed (Nis and South Banat) to, among other things, prevent further placement in large institutions,<sup>28</sup>
- providing at least 50 specialized foster cares (for children moderate difficulties) through a partnership of regional services for foster care and transformed children's homes who placed children with disabilities, in order to be closer to 1:10 ratio between foster and institutional accommodation.<sup>29</sup>

Decision on the network of institutions was meant to be changed by the end of 2009, but was made 2010, a new Law on Social Protection and Social Security of Citizens should have been passed on schedule<sup>30</sup> (planned introduction of new services in the system).

## **Transformation of residential institutions for the elderly and adults with disabilities**

### *Adults with developmental disabilities and mental disabilities*

To encourage investment **in the construction of residential buildings for supported** housing for adults with developmental disabilities and mental disorders, which are dependent on the use of services to help and care at home, and similar social service and health care.

In the implementation of the National Investment Plan 2006 and 2007, it was planned that in 130 municipalities will be provided with such facilities but because of the change of government, economic crisis, and the other circumstances and priorities, the NIP was soon stopped functioning.

**The development of social-health services at the local level** in order to reduce the pressure on accommodation in institution. Recognizing the fact that the protection of persons with disabilities and people with mental health problems is not only a problem of health, new Law on Social Protection envisages the provision of socio-health services and the establishment of socio-medical institutions.<sup>31</sup>

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<sup>25</sup> Not Completed

<sup>26</sup> When making the decision to suspend the admission of children in residential institutions should bear in mind that at the time of an overall transformation plan, a total of 200 children waiting for admission to the institution. It was important to avoid making decisions do not lead to temporary and multiple moving from institution to institution. Moving from one institution to another is justified only if it cannot find an alternative solution if it is a permanent solution for the placement of the child or solution for a longer period.

<sup>27</sup> Ministry has adopted measures to eliminate irregularities in residential institutions, act No. 560-03-619 / 2006-14, dated 3 November 2006

<sup>28</sup> Not Completed

<sup>29</sup> The relationship is not reached nor are provided specialized foster families, foster families, although there are about 400 children with different types of relatively minor health problems or psychological nature

<sup>30</sup> The law was adopted in April 2011

<sup>31</sup> At the time of writing this analysis have not yet made an act that could provide enforcement of these provisions

### Elderly

When it comes to institutions for accommodation of the elderly, **Strategy on aging** predicted the following activities:

- Overcoming uneven access to services for accommodation in social protection institutions, deficiency of these capacities and their uneven territorial distribution;
- Ensuring the formation of gLEDntology center type capacity dormitory in larger urban municipalities, which is next to the dormitory services provided care and other social services;
- Priority in the development of accommodation services should have the territory of the Republic where there is no dormitory capacity and large cities (Belgrade, Novi Sad and others.) Where the existing capacities do not meet the requirements;
- Securing the establishment and smaller dormitory services accommodation facilities in municipalities, in cooperation with non-governmental organizations and the private sector, (centers of small capacity) and the introduction of other forms of care for elderly (pensions for retirees and the elderly, community housing, rural house for pensioners and the elderly, etc.);
- Securing the organization and operation of the seasonal reception centers for temporary housing of elderly farming households during the winter months in remote rural and hard to access areas of the Republic, , when they are cut off from the world;
- Encourage investment in the construction of residential buildings sheltered housing older people and pensioners who live alone and who are dependent on the use of services to help and care at home, and similar social service and health care;
- Take appropriate incentives and benefits to the national level and local government level to encourage, support and stimulate the private sector and donors to invest in the development and operation capacity for the provision of care and assistance to the elderly, as well as various foundations, bequests and endowments whose aim is to care for older people.

### **Expected effects of transformation**

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Based on the exposed guidelines, objectives and planned activities on deinstitutionalization and transformation of institutions, expected effects of this process are formulated.

#### Reducing the pressure on accommodation facilities

**The development of network of services in the local community will provide favorable conditions for the exercise of the right of citizens to support family life and the natural environment.** In this way it will enable the remaining of larger number of children, adults and the elderly in their biological, kinship or foster family, which will reduce the pressure on placement in a more restrictive and expensive form of support for the beneficiary.

#### Reducing the number of beneficiaries residing in institutions

The development of a network of services in the community, meeting the needs of the family and the natural environment, should lead to a reduction in the number of accommodated users, especially children without parental care and children with difficulties in development, but also the elderly and adults with disabilities. In this way conditions for providing more and better services to beneficiaries who needed housing are created, as well as development of new, missing services in the local community.

#### Providing small accommodation capacities at local level

For the number of beneficiaries of social protection system, accommodation services are necessary. The construction of smaller accommodation capacities or service transformation of existing institutions,

will provide the necessary services to a variety of amenities to meet beneficiary needs, at local and regional level, and allow satisfying the needs of users in the natural environment.

For beneficiaries whose multiple needs cannot be adequately met in small establishments of accommodation facilities, will develop highly specialized, professional services, which are under the jurisdiction of the Republic of Serbia. This will ensure the continuity of service, consistent to needs of beneficiary.

## **Current status and trends of change in the process of deinstitutionalization**

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Summary statistics on the number and structure of beneficiaries in social protection institutions provides the first level of information on the effects of plans on deinstitutionalization and transformation of social protection institutions.

According to the decision (2010) on the network of social welfare<sup>32</sup>, state is the founder of the 21 institutions for children and youth, 43 institutions for adults and elderly, 17 residential institutions for disabled adults. In the Decision on the network state assumed the obligation and envisaged the establishment of eight regional centers for foster care and adoption and five on the territory of Central Serbia (Belgrade, Kragujevac, Čuprija, Velika Plana-Miloševac and Niš) and three in Vojvodina (Novi Sad, Subotica and Bela Crkva). However, while the five centers in Central Serbia began work in Vojvodina has not started any.

The decision separately defined capacity to accommodate and the capacity to provide other services.  
Current situation in institutions for children

In accordance with 2013 Regulation on the network of social protection, 22 (21) institutions are foreseen for children and young people. For children and young people without parental care and children with disabilities<sup>33</sup> are scheduled 17 institutions, accommodation for children with behavioral problems three institutions and 2 institutions for children and young people with communication difficulties (deaf-mute-Belgrade and autism-Sabac). In addition, institutions in Sremcica, Stamnica and Veternik, will have specific working units for children with disabilities.

Within the Department for Children and Youth in Belgrade and Nis special working unit for accommodation children of asylum seekers and unaccompanied children is provided.

Total number of children and youth placed in institutions for children and young people on the 31.12.2013 is 1617. In institutions for children without parental care are placed 580 or 35.87%, in institutions for children and youth with developmental<sup>34</sup> disabilities 963 or 59.55% in the Institute for Children and Youth.74, or 4.58%.

**Number of children without parental care who are placed in institutions has decreased by more than 70% of the number at the beginning of the reform.** In 2001 2,100 children were in institutions for children without parental care were. In December 2013, only 580 children and young people were accommodated.

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<sup>32</sup> In the Meantime, Government adopted Regulation, Official Gazette of RS, no. 12/2013

<sup>33</sup> Unlike the earlier provisions of the Regulation (Decision) provides that the same institution can be housed orphans with disabilities

<sup>34</sup> A number of children and young people and is located in institutions for adults with disabilities

In 2013 is recorded a **decrease in the number of new beneficiaries** placed in institution for children and young people by 30% compared to 2009, while the number of children age under 2 <sup>35</sup> that are accommodated in institution is 60% less. Currently, all institutions have 38 children under the age of 2 year.

Smaller number of children and young people in institutions is due to the development of foster care. Number of children in foster care has tripled since the beginning of the process of deinstitutionalization. In 2001 in foster care was around 1,800 children, and in December 2013, there were about 5,400 children. Total number of children and youth in foster care in 2013 was 20% higher compared to 2009. 19% of the total number of children in foster care is placed in kinship foster care.

83% of the total number of children who have been removed from an institution for placement in a foster family in the period 2009 - 2013, were moved from the institution for children without parental care, and 17% from institutions for children with disabilities.

In 2013, 482 requests for placement in foster care are not realized, of which 83% of the demands for children with disabilities. For children with disabilities reason is mainly unwillingness or lack of training of foster families to accept these children.

#### Current situation in institutions for persons with disabilities

According to Regulation (Decision) on the network of social protection institutions, number of residential institutions for adults with disabilities established by the state is 17. Total number of residents in these facilities is 4226 users on 31.12.2013. Among them were 273 children and young people up to 18 years or 26 years.

To this number should be also added 1440 beneficiaries accommodated in four institutions who accommodates both adults and children - 690 children and young, and 750 adults users.

In the past 5 years there was no significant difference in the number of residents in institutions for adults with disabilities. Only in Kulina the number of children who have been in this institution was reduced. In the begging of 2001 there were 130 children. 38 children were relocated in small residential community. As for the kind of disability, mental difficulties are present in 52% of cases, intellectual disability in 24%, and multiple interference in 17%, 10% of users are completely immobile, and 10% semi-mobile.

**Number of users in 2013 was almost identical to the number accommodated in these facilities in 2001.** Significant changes occurred only in those institutions where both children and adults were placed. Specifically, significantly reduced the number of accommodated children was primarily in Kulina,<sup>36</sup> but also in Veternik and Starnica.

However, it continued to be a serious problem of a large number of users in most of these institutions, particularly in the following institutions: Kragujevac (Male Pčelice) 898, Stari Lec 563, 556 Veternik and Novi Bečej 428 users.<sup>37</sup>

<sup>35</sup> This is practically the ages of 3 years because, for precision, this fact implies to a child aged 2 years, 11 months and 29/30 days

<sup>36</sup> The new Regulation on the network of social care home in Kulina is designed for reception only maintain with disabilities

<sup>37</sup> Data RISP on 31 12 2013

### Current situation in institutions accommodating elderly

Number of gerontology centers and homes for the elderly in the Republic of Serbia, founded by the state is 40, and the total number of residents on the 31.12.2013 is 8053. The capacity of these institutions is slightly higher of 9000 places.

The number of private homes for the elderly housing is 125, of which 24 in Vojvodina. The total capacity of these homes is around 3500 places.<sup>38</sup>

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**In the past 5 years there are no significant differences in the number of residents in nursing homes and homes for the elderly established by the state.**

Establishment of private homes, currently there are over 120 of them, reduce the pressure on the government homes, so there are no waiting lists as in the past. If we consider only the institutions for the elderly established by the state, then the number of elderly residing in institutions has no significant aberrations of the number in 2001. However, if we add accommodated in private homes, then this number is higher by over 1500 users.

The dominant reason for placing beneficiaries at homes are difficulties in everyday functioning due to disease and old age (44%), followed by the inability of families to take care of them (17%).

### **Measures and activities for deinstitutionalization and transformation of institutions**

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Measures are activities that are regulated by a legal norm of any kind (law, regulation, ordinance, etc.) or decision of state authorities. Measures can be direct or indirect. Direct measures are direct targets of deinstitutionalization and transformation of institutions and are necessary, but not always sufficient condition for achieving the proclaimed goals. Indirect measures have objectives that are not related to deinstitutionalization and transformation of institutions, but contribute to their achievement.

**Activities** are projects and other forms of meaningful action in the direction of deinstitutionalization and transformation of institutions that have no foundation in the legal norms but rather are result of a contractual relationship.

### **Plans and projects for the development and transformation of social protection institutions**

In the past decade great effort was invested for recognizing the importance of planning.<sup>39</sup> This has resulted in numerous and various projects at the national and local levels, which led to the formulation and adoption of a number of planning and strategic documents and action plans.

The Social Protection Development Strategy defined following measures, activities and mechanisms for the transformation of residential institutions:<sup>40</sup>

- Adoption of a medium-term plan for the transformation of institutions;
- Adoption of specific plans for each transformation institutions;
- Adaptation of existing network transformation of the institution;

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<sup>38</sup> Data MLESP

<sup>39</sup> This was contributed financial and technical assistance support from international organizations and agencies.

<sup>40</sup> Deadline for implementation of the activities listed in the Strategy was 2006

- Adoption of special programs for the training and development of all participants in the protection of residents

Projects that have a direct function of de-institutionalization and transformation of social protection institutions have been realized.

"Comprehensive plan for the transformation of residential social care institutions for children 2009-2013" was produced within the project "Transformation of residential institutions for children and develop viable alternatives,". The project was implemented by Ministry and UNICEF.

*The objectives of the transformation of institutions:*

1. Reduction of the number of beneficiaries residing in social care
2. The institutions are providing alternative services, such as day care services for people with developmental disabilities, the creation of regional centers for foster care, shelters, halfway houses,
3. The provision of small accommodation capacities at the local level

***The goal was also not to lose funds that are earmarked in the central budget for residential institutions***, but to use these funds to encourage the transformation of these institutions and the development of forms of protection that are in the best interests of children.<sup>41</sup> The funds that were intended for institutional care should be diverted to fund new modalities for accommodation outside the family, such as foster care, supported housing, group housing for 5-6 beneficiaries outside institutions, etc., as well as other services that are funded from the central level.

The planning process in the field of social protection was also implemented at the municipal level and therefore the majority of municipalities in Serbia have done plans for the development of social protection. "Regional development plans of social services for children and young people" are also made.<sup>42</sup> In addition, the planning process has gathered a number of important stakeholders in the process. However, **there is still need for serious improvement of planning**.

From the Instrument for Pre-Accession Assistance (IPA) in the field of social and child protection began work on the project "**Support to deinstitutionalization and social inclusion of people with mental disabilities and mental health problems**" (IPA 2011), value of 5.17 million euros and "**Support for the social inclusion of vulnerable groups including Rome, through diverse social services in the community**" (IPA 2012), value of 6.5 million euros.

Within the project "**Delivery of Improved Local Services**"<sup>43</sup>, which is implemented by the World Bank in the amount of 32 million euros, were carried out activities related to the development of IT system of social protection, including those related to equipping and IT connecting of centers for social work (140) and residential institutions. The implementation of part of the project that supported the promotion of ways for financing associations of persons with disabilities was completed.

In mid-2011 three-year EU-funded project of Ministry and UNICEF, "**Transformation of residential institutions for children and developing sustainable alternatives**", that contributed significantly to accelerating the process of deinstitutionalization in the Republic of Serbia, was completed.

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<sup>41</sup> Transformation of institutions will decrease costs alone residential institutions, but it is important that these funds remain available to fund foster care or, for example. Co-financing of minimum services required to support the family in municipalities such services cannot be financed from local budgets.

<sup>42</sup> Report CLDS, June, 2009.

<sup>43</sup> For more information see [www.dils.gov.rs](http://www.dils.gov.rs)

In late 2013, a three-year project of the Ministry and UNICEF "**The development of community services for children with disabilities and their families**" was completed, which allowed a significant increase in the quality and availability of services in the community. The project was funded by the EU (IPA 2008), from which they were awarded grants for support of services for children with disabilities in 41 municipalities.

### **Guidelines/decisions/regulations for the implementation of the program**

**Direct measures** as a function of deinstitutionalization and transformation of institutions of social protection are:

- avoiding of irregularities in performing accommodation of children and youth in institutions of social protection,
- Rules of Procedure for selecting and changing the type of protection;
- Decision on the network of social protection institutions

Indirect measures that contribute to the transformation of institutions and deinstitutionalisation process are:

- Ordinance on standards and procedures for conducting affairs of social work centers
- Regulation on closer conditions and standards for the provision of social services

### **Decisions on the network of social protection institutions - Designed intention and capacity of institutions**

Within amendments to the Decision on the network of social protection institutions in the period from 2004 to 2008<sup>44</sup>, Ministry verified abolition of residential institutions for children without parental care in Zrenjanin, Vranje and Valjevo and anticipated the possibility of establishing centers for foster care and adoption.

With the adoption of the **Decisions about the network of social protection institutions** in 2010<sup>45</sup>, Ministry has verified the **Comprehensive Plan transformation of institutions for children and youth master plan (2009-2013)** which was made as a project activity and MLSP accepted it as a document for the development of deinstitutionalization plan of institutions for provision of accommodation for children and youth. The objectives of the five-year Master Plan for the transformation of institutions for children are integrated into this decision on the network of social protection institutions for accommodation of beneficiaries, and the most important principles are included in the relevant provisions of the new Law on Social Protection.

In accordance with the Decisions on the network of social protection institutions from 2011, in the period from 2008 to 2013, five regional centers for family accommodation are established, in: Belgrade (2008), Nis, Kragujevac, Čuprija and Milosevac. Although it was planned to open these centers in Novi Sad, Sombor and Bela Crkva, for now have only taken a decision on their establishment (in Novi Sad appointed Acting Director), but not provided funds for their functioning at this time.

With the adoption of amendments on Decision on the network of social protection institutions in 2012 and 2013<sup>46</sup>, resulting changes were verified in terms of transferring and renaming of individual institutions for children without categorization of children without parental care and children with

<sup>44</sup> Official Gazette of RS, no. 51/2008

<sup>45</sup> Official Gazette of RS, no. 98/2010.

<sup>46</sup> Official Gazette of RS, no. 16/2012 and 12/2013

disabilities, creating conditions for small residential community (there are in Nis, Negotin, Belgrade and Banja Koviljaca), conversion of institution in the center for family shelter and adoption-Ćuprija or service for the provision of social protection at the local level, it Kragujevac.

Thanks to these changes, in particular by creating conditions for small residential community, all children from the institution in Kulina are deployed in other institutions in far better conditions. With these changes, Kulina is included in institutions that accommodate only adults but not children, like it was before these changes in the decisions.

With Decision on the network of institutions, **capacities were reduced in all former homes for children without parental care** and complied with standards, **but not for institutions for children and adults with developmental disabilities.**

### ***Support for families and foster parents***

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**The Law on Financial Support to Families with children** was adopted in 2002, and amended in 2005. **It defines child allowances as a measure of social policy**, determines its amount equally to all children who are entitled to it and provides better targeting of the poor.

Families with children with disabilities, single parents, foster parents and guardians are placed in a favorable position in this Act, to encourage the non-institutional protection of children without parental care.

This law provided better targeting of the poor with more precise definition of income and assets which are taken into account in determining eligibility. Regional differences in the criteria for the exercise of rights in this area were abolished, establishing a uniform threshold for the whole territory of Serbia. The real value of benefits is provided and maintained through indexing benefits and means-testing with the cost of living and continuous access to this right is enabled.

**Amendments to the Law on Social Protection and Social Security of citizens** were prepared in late 2002, but due to a change of government, were adopted in 2004. Their adoption also eliminated differences among municipalities for awarding the benefits (social assistance, or material support), introduced a unique line of absolute poverty at the level of the republic, and provided maintaining of the real value of benefits with indexing the cost of living and continuous access rights. **The remuneration for the care and aid significantly increased for people (children) with disabilities.** Some legal criteria for foster families were also precisely defined, **and the concept of professional foster care was introduced**, although it is limited only to persons employed who eventually become jobless in the process of deinstitutionalization.

**As an initial step for the different treatment of the beneficiaries, their representatives are involved in the governing boards of institutions for social protection.**

In order to support the process of deinstitutionalization, the Law on Social Protection (2011) has introduced **a special allowance for parents who have not earned the right to retire, and directly fostered child with the highest level of disability for at least 15 years.** Special benefits paid upon reaching retirement age, in the form of a lifelong monthly income in the amount of the lowest pension. This compensation benefits approximately 400 persons.

In order to protect the newborn with a high degree of disability one parent may, upon expiry of maternity leave and absence from work for child care, **use paid leave from work for special care of the child.**

Fees are significantly consolidated and the system is restored, after the collapse in the late nineties. However, amounts, targeting and coverage of material security have yet to be assessed to ensure that at least the basic needs of children and families are actually satisfied.

### **Restrictive measures for placement in institutions**

To limit referral of people to social care institutions, some measures are applied to prohibit or significantly limit previous common practice.

#### *Prohibition of accommodation of children bellows 3 years of age*

Comprehensive Plan of the transformation **proposes ban for the entrance of children from 0 to 3 years in residential institutions.** This applies to children without parental care and children who are easily mentally distracted and do not have parents or parents cannot take care of them. These children should be taken care of through the urgent foster care in order to prepare for adoption or for going into foster care.

The adoption of the Law on Social Protection, this has become a legal norm and this is certainly one of the most important disposition for further deinstitutionalization.

#### Supervision of institutional accommodation decisions:

The Ministry has adopted **Measures to eliminate irregularities in performing accommodation of children and youth in institutions of social protection.**

The objective of this measure is to strengthen the procedures provided by the Family Law (enacted in February 2005) in terms of respecting the basic rights of a child to live with his parents.

In the first paragraph Measures states that the social work centers are obliged to request a formal opinion from the Ministry before determining about accommodation of the child under the age of 18 years in any of social protection institution.

### **Development of local services**

One of the key assumptions on deinstitutionalization processes and transformation of social protection institutions is the development of local services. One can distinguish two types of services:

- Support services to families ("family support services")
- Services of providing substitutes for the family ("family substitute services»)

According to the Law on Social Protection, social services in the Republic of Serbia include assessment and planning services, day services in the community, support services for independent living, advisory-therapeutic and socio-educational services, and accommodation services.<sup>47</sup> Services are partly under the jurisdiction of the republic level (assessment and planning services, residential and foster care), and partly by local governments (daily community services, support services for independent living, advisory and therapeutic and social and educational services).

Local centers for social work refer potential beneficiaries on rights and social protection services, and they are performing the role of the guardianship in accordance to Family Law.<sup>48</sup>

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<sup>47</sup> Law on Social Protection (Official Gazette of RS, No.24 / 2011.)

<sup>48</sup> "Official Gazette of RS", no. 18/05 and 72/11

According to reports on the work of CSW from 2012, the total number of registered beneficiaries of social care services was approximately three hundred thousand (4% of the total population). Bearing in mind the age structure of the total population, among beneficiaries dominate children and young people.<sup>49</sup>

It should be noted that the service providers at the local level are not yet included in the reporting system and that this data from the Centers for Social Work. **Regular reporting obligation exists only for licensed providers.**

In assessing the development of local services rely on the second report on social inclusion<sup>50</sup> and research results about the mapping of local services.<sup>51</sup>

### **Services to support families ("family support services")**

This type of service corresponds to the services designated as "daily services in the community" according to the Law on Social Protection. It is a group of services that are organized in a way that can be used on a daily basis. This group of services includes day care, help at home, personal escort of the child, drop in and other services that aim to support that beneficiary stays in the family and immediate environment. Thanks to these services, beneficiaries remain in their natural environment and institutional accommodation of beneficiaries is prevented. They are designed for user groups of all ages (children, youth, adults and the elderly). The specification defines the services and target group of beneficiaries, purpose and activities of the service.

Daily services in community are in the mandate of local governments and, despite the development of the last decade, are still not sufficiently available.<sup>52</sup> Among the most frequent services from this group stand out help at home for the elderly and care for children with disabilities.<sup>53</sup>

### **Home care**

According to data from 2012, help at home for the elderly is provided in 122 from 145 local governments, to over 15.5 thousand users (1.2% over 65 years). Coverage of elderly service is low compared to the developed European countries.<sup>54</sup>

**Table: Number of beneficiaries and the number of local governments that provide help at home service**

Social care services	Number of beneficiaries	Number of local governments
Help at home for the elderly	15.563	122
Help at home for adults	441	20
Help at home for children with difficulties	611	37

Source: CLDS and Social Inclusion and Reduction of Poverty (2013): Mapping of social services by local governments

<sup>49</sup> Republic Institute for Social Protection (2013); Synthesis report on the work of social work centers in Serbia in 2012, Belgrade.

<sup>50</sup> Second National Report on Social Inclusion in reducing poverty in the Republic of Serbia, October 2014.

<sup>51</sup> Center for Liberal-Democratic Studies, Social Inclusion and Poverty Reduction and UNICEF (2013): Mapping of social services by local governments, Belgrade.

<sup>52</sup> Second National Report on Social Inclusion in reducing poverty in the Republic of Serbia, October 2014.

<sup>53</sup> Second National Report on Social Inclusion in reducing poverty in the Republic of Serbia, October 2014.

<sup>54</sup> Second National Report on Social Inclusion in reducing poverty in the Republic of Serbia, October 2014.

During the last two years, the project "Development of community services for children with disabilities and their families" (IPA 2008), which was conducted in partnership between the Ministry of Labor, Employment and Social Affairs and UNICEF in the period 2010-2013, established help at home service for children with disabilities in 37 local governments.

### Day care

In order to support deinstitutionalization and improvement of care for children with disabilities, stakeholders in the field of social and child protection achieved professional consensus at the beginning of reforms **on the need for the development of day care centers at the local level**, in order to enable parents to keep their children at home. This form of protection, along with other forms of support (mainly various types of activities organized for children with disabilities), are mainly financed and developed through the Fund for the financing of organizations of persons with disabilities (FOSI).

**Table: Number of beneficiaries and the number of local governments that provide day care service**

Social care services	Number of beneficiaries	Number of local governments
Day care for children with difficulties	2.519	71
Day care for the elderly	1.022	12
Day care for children in conflict with the law	359	10
Drop in	601	4

Source: CLDS and Social Inclusion and Reduction of Poverty (2013): Mapping of social services by local governments

Day care service for children and young people is present in 71 Local Government, and there are slightly less than 2,000 children and youth with disabilities using it. Almost half of the providers of these services are from the NGO sector.

Majority of local governments still had not opened the day care centers for children with disabilities, which can be partly explained by the lack of funds in local budgets, as this form of services under the jurisdiction of local authorities. Total public expenditure on daily services in the community in 2012 amounted 1.5 billion dinars (0.04% of GDP)<sup>55</sup>. It should be noted that a number of donor funded startup of day care centers for the disabled at the local level.

**Support Services for Independent Living and advisory-therapeutic and social and educational services** are also within the mandate of local governments and are available in a small number of local governments, usually only in larger cities. An extremely small number of support services for people with disabilities, with less than 200 users of personal assistance and approximately fifty users of supported housing, reduce their opportunities for social inclusion and to accelerate the process of deinstitutionalization. Except in the most developed local governments, funding for supported housing for people with intellectual and mental disabilities was raised at a national level, but nevertheless was established in only five local governments, with the largest number of users in Belgrade and Novi Sad.<sup>56</sup> The role of civil society organizations as providers of social services has increased significantly over the past decade.<sup>57</sup> In this direction should act and legislative changes that, among other things, predicted that the service provider will be selected through a public call. However, analysis shows that local governments often do not implement these procedures properly, and even to the services provided

<sup>55</sup> Center for Liberal-Democratic Studies, Social Inclusion and Poverty Reduction and UNICEF (2013): Mapping of social services by local governments, Belgrade.

<sup>56</sup> Second National Report on Social Inclusion in reducing poverty in the Republic of Serbia, October 2014

<sup>57</sup> Second National Report on Social Inclusion in reducing poverty in the Republic of Serbia, October 2014

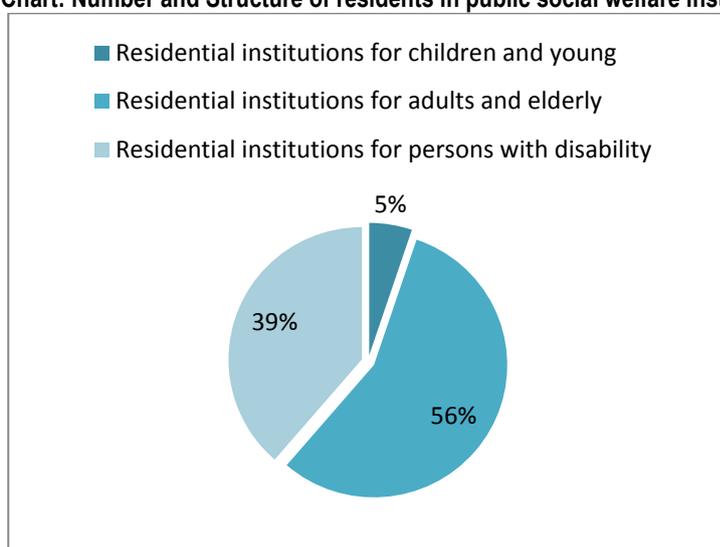
within the non-state sector are failing and then later awarded to public institutions.<sup>58</sup> Civil society organizations encounter with difficulties in the licensing process as well.<sup>59</sup>

### **Services providing substitutes for the family ("family substitute services")**

**Accommodation service** is one of the most present social care services, which in 2013 used more than 20 thousand beneficiaries. Over 5.7 billion dinars was allocated for family and institutional accommodation service from the national budget in 2013 (0.15% of GDP).<sup>60</sup>

Among the beneficiaries of institutional accommodation in the public sector, elderly are dominating group (about 7800 users), while the proportion and number of children continued to decrease. Accommodation services for the elderly in the private sector have been developed in last decade and, with over 5,000 capacitive places in the 186 homes in Belgrade and other parts of Central Serbia. Private homes do not have access to budget funds, but they subject to the regulation and control of the republic and provincial authorities.

**Chart: Number and Structure of residents in public social welfare institutions, by type of institution, 2013**



Source: MLEVSA

The conditions for the accommodation of adults with intellectual and mental disabilities (approximately 5,400 beneficiaries) are still unsatisfactory in most state institutions.<sup>61</sup>

**Foster care** is a measure for protection of child without parental care or children under parental care that has difficulties in physical development or conduct disorder, which is temporarily unable to live with their parents. A child in foster care, is provided, in accordance with the law, an adequate form of foster care and foster families according to their specific needs in aim of achieving child's best interest. Starting from the specific needs of the child and the conditions necessary to meet them, some of the following forms of foster care can be applied: (1) standard foster care, (2) specialized foster care, (3) urgent foster care and (4) occasional foster care.<sup>62</sup>

<sup>58</sup> Autonomous Women's Center (2013): Contributions to the Second National Report on Social Inclusion and Poverty Reduction in the Republic of Serbia, Belgrade. CLDS (2013): Lessons learned and recommendations for improving the status, visibility and capacity of civil society organizations as providers of social protection, Belgrade

<sup>59</sup> CLDS (2013): Lessons learned and recommendations for improving the status, visibility and capacity of civil society organizations as providers of social protection, Belgrade.

<sup>60</sup> Second National Report on Social Inclusion in reducing poverty in the Republic of Serbia, October 2014

<sup>61</sup> Republic Institute for Social Protection (2013): Synthesis report on the work of social welfare institutions for adults and elderly with mental, intellectual, physical or sensory disabilities in 2012, Belgrade.

Over 90% of children and adolescents without parental care are on accommodation in the Republic of Serbia, almost six thousand is protected through kinship and non-kinship foster care to approximately 4,300 families. Despite the strong growth of this form of protection, children with disabilities, especially combined, heavier and more complex types, are still mostly accommodated in institutions (approximately 500 children or 54.6% of the total number of children with disabilities are in accommodation) in which conditions are unsatisfactory, with a modest offering of rehabilitation and support programs.<sup>63</sup>

A number of children is accommodated in large institutions where the quality of care is the most unacceptable.<sup>64</sup>

Placing children with the most severe disabilities in small residential community in the home in Kulina is considered as a positive step forward, with great effects.<sup>65</sup>

Law on Social Protection of 2011 prohibited the accommodation of children under the age of three years in institutions, whose number fell to 44 at the end of 2013.

However, the fact that there is increase in the total number of children dislodged from biological families who use the accommodation service is concerning. The analyzes show that support for the family before taking the child for a prolonged period was provided in the course of the 15% of cases, and in 19% were not taken steps to strengthen families.<sup>66</sup>

Support for young people to leave residential care and foster care is also insufficient.

Foster care has existed in Serbia before the beginning of the reform. As a form of child protection, were equally represented, as well as institutional care. At the beginning of the reform process, 2200 children were accommodated in institutions for children without parental care, while 2,100 were in foster care.<sup>67</sup> Since the deinstitutionalization was a very important reform agenda from the beginning of reform, there was a clear need was to continue, especially as a precondition for meeting the targets, the development of this form of alternative care for children in Serbia, who already had a solid foundation - especially bearing in mind that was funded from the central budget.

Comparative analysis for Belgrade shows that compared to 2012 the number of children who are in foster care come from health institutions/maternity wards was increased by 3%, and 4% compared to 2011. Number of children who came from the biological family of was reduced by 2 % compared to 2012 and 5% in compared to 2011. Compared to 2012, 1% fewer children are coming from institutions, compared to 2011, the number is 1% higher.

Increase the percentage of children who come into foster care at birth is in line with national policy and legislation. Experiences of advisors are evidence of the positive effects of providing stimulating, family environment for babies, in the age which is the critical periods for the development of sensory, speech,

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<sup>62</sup> Regulations on foster care ("Official Gazette of RS" , No.36 / 2008)

<sup>63</sup> UNICEF (2014) Situational Analysis (in preparation). Quoted from "Second National Report on Social Inclusion in reducing poverty in the Republic of Serbia, October 2014

<sup>64</sup> Ibid.

<sup>65</sup> Familia, Faculty of Belgrade, Faculty of Philosophy, Niš (2013): Monitoring the outcomes of small dormitory communities on children with disabilities.

<sup>66</sup> UNICEF (2014), Situation Analysis (in preparation). Quoted from "Second National Report on Social Inclusion in reducing poverty in the Republic of Serbia", October 2014

<sup>67</sup> Ministry of Labor, Employment and Social Affairs of the Republic of Serbia, Annual Report (internal document) Belgrade: MLESP, available in printed form

motor function and the establishment of early affective ties of which depends not only on the overall physical and mental development of the child care but also understanding of self, others and the world around them.

**Specialized foster care** was introduced amendments to the Law on Social Protection (2005). However, this type of foster care has not yet been defined in the bylaws. The Ministry is currently preparing a normative act that will define specialized foster care for children with developmental and health problems. However, the Ministry estimates that about 25% of the breadwinners already take care of children with development and health problems. The Social Innovation Fund also gave priority to projects for the development of specialized foster care and to strengthen the competence of foster parents to care for children with this type of disability.

Since its inception, through regular activities and many project activities, **Center for family accommodation seeks to increase the resource of foster families and to improve the practice of family accommodation for children with disabilities**, as a particularly vulnerable group. The practice of family placement of children/children with disabilities is guided by the following principles:

- The child is worth by itself and has the rights that are the same for all children.
- Diversity is respected.
- All children have a need to be loved and to love, the need for warmth, safety and incentives.
- A good place for a child's life is one that allows optimal satisfaction of the child's needs, above all child's involvement in community life.
- Continuous improvement of knowledge and skills of professionals and foster families provides quality support for the child in foster care.

Number of children with developmental or health disabilities residing in foster homes, in 2013.

Type developmental disabilities	Number	%
A child with mild intellectual disabilities	52	11,74%
A child with moderate intellectual disabilities	18	4,06%
A child with severe and profound intellectual disabilities	4	0,90%
A child with autism	1	0,23%
There is a suspicion of interference in the development	42	9,48%
Children with impaired eyesight – blind	2	0,45%
Children with impaired eyesight - visually impaired	41	9,26%
Children with hearing impairments – deaf	2	0,45%
Children with hearing impairments - hard of hearing	5	1,13%
Children with disabilities voice and speech	30	6,77%
Children with partial physical disabilities	7	1,58%
Children with a complete physical disability – immobile	1	0,23%
Children with multiple disabilities	20	4,51%
Chronic diseases	169	38,15%
With conduct disorders or severe emotional problems	44	9,93%
Others	5	1,13%
Total	<b>443</b>	<b>100%</b>

The number of children with developmental or health problems in foster care, grouped according to the table below, amounts to 41.47% of the total number of children in foster placement. If we look children with health problems (chronic diseases) and children with developmental disabilities separately, there were 25.6% of children with disabilities and 15.8% of children with health problems in foster accommodation in 2013.

In group of children with disabilities, the majority of children are children with mild intellectual disabilities (5%) and children with behavioral disorders or severe emotional problems (4%). In younger children, babies often burdened with risks in pregnancy, for now there is only a suspicion of developmental disabilities (4%). At the foster care there were 2% of children with moderate intellectual disabilities and children with multiple disabilities also 2%. Four children are children with severe intellectual disabilities, and one child, in standard foster family, has a problem of autism. Damage voice and speech is present in 3% of children.

Health problems, such as chronic diseases, have 16% of the children. With impaired eyesight-amblyopic is 4% of children, 1% are children with partial physical disabilities. Five children are with hearing impairments - hard of hearing, two are blind, two children have problem of deafness, a one child is with a complete physical disabilities.

Children with disabilities and health problems are mostly, but not exclusively, placed in kinship foster homes. With their commitment and dedication to children in foster care stands out more unrelated families, such as families caring for a child with autism problem, the problem of deafness, intellectual disability, the child with Down syndrome and the child with the problem of cerebral palsy. These examples confirm the professional attitude that if it is provided a stimulating family environment in an environment that has the necessary resources for children with disabilities at an early age, child's progress will be visible. This also confirmation of our experience that if there is established solid emotional connection between foster parents and the child at an early age, foster parents do not give up caring about child regardless of the difficulties that the child has.

Children under three years of age and children with disabilities will have priority in foster care placement, but it should be borne in mind that the realization of accommodation depends not only on the number of foster families who are current available for accommodation, but also the characteristics of the families, their strengths and needs, or switching characteristics of families with the needs of the child.

Number of children with developmental or health problems whose accommodation is not implemented in a foster home during 2013.		
Type developmental disabilities	Number	%
<b>A child with mild intellectual disabilities</b>	12	12,12%
<b>A child with moderate intellectual disabilities</b>	4	4,04%
<b>A child with severe and profound intellectual disabilities</b>	3	3,03%
<b>A child with autism</b>		
<b>There is a suspicion of interference in the development</b>	9	9,09%
<b>Children with impaired eyesight – blind</b>		
<b>Children with impaired eyesight - visually impaired</b>	1	1,01%
<b>Children with hearing impairments – deaf</b>		
<b>Children with hearing impairments - hard of hearing</b>		

<b>Children with disabilities voice and speech</b>	2	2,02%
<b>Children with partial physical disabilities</b>		
<b>Children with a complete physical disability – immobile</b>		
<b>Children with multiple disabilities</b>	14	14,14%
<b>Chronic diseases</b>	4	4,04%
<b>With conduct disorders or severe emotional problems</b>	47	47,47%
<b>Others</b>	3	3,03%
Total	<b>99</b>	<b>100%</b>

In the group of children with developmental or health problems for which it was provided accommodation, the largest number of children are with behavioral disorders or severe emotional problems. In relation to the total number of children with developmental or health problems, this group of children account for almost half of all claims. Children with behavioral disorders are usually at the same time older children. Still a small number of foster families are ready to cope with the challenges of such accommodation.

**Adoption** is regulated by the Family Law (2005) and in line with international conventions in the field of adoption and children's rights. Family Law introduced a mandatory preparation for adoption. Employees in centers for social work, which are specially trained for this purpose, are implementing a program of preparation for adoption.

It is necessary to implement the concept of child rights in a more systematic way and to change its position according to which the adoption is seen as a mean of meeting the needs of parents without children. Instead, emphasis should be placed on the right of the child to live in a family environment.

**Guardianship** is regulated by the Family Law. Guardianship is provided for children without parental care and children under parental custody in cases where the interest of the child is contrary to the interests of parents. For the full and proper implementation of the Family Law, the Ministry is obliged to adopt appropriate bylaws and regulations for the effective implementation of adopted legislation.

### **Support of the development of local services**

The reform of local services is encouraged through two mechanisms: the **Social Innovation Fund (SIF)** and the **Fund for organizations of persons with disabilities (FOSI)**. During 2002 and 2003 these funds were formed primarily to support the development of services at the local level.

The Social Innovation Fund was established in 2003 as a reform tool and mechanism for:

- Decentralization
- Covering transition costs
- Transformation of social care institutions/deinstitutionalization
- Transfer of good practices
- Support for reform at the local level

Reform of the social and child protection in Serbia requires the development of services in the local community. Both funds have the following tasks:

- To finance projects/initiatives at the local level
- To ensure the sustainability and/or co-financing by local governments

- To give priority to partnerships between government and non-government sector
- To establish the system of qualitative and budgetary revisions

With the support of the Government of Serbia, the Government of Norway, UNDP, the European Agency for Reconstruction (EAR) and the Government of the United Kingdom, SIF has supported the development of services in the field of social protection within the local community, i.e. municipalities, as well as the establishment of partnerships between government and non-government service providers and local governments.

The third contest of Social Innovation Fund (SIF) in September 2006, had, as a first priority, "linking the third contest with a program of transformation of institutions supervised by the Ministry, i.e. **development of services in the sphere of social protection that support the transformation of residential institutions**". In the competition the priority **target groups** of children referred to was: children without parental care, children with disabilities and children with behavioral disorders. SIF commission for the selection of projects for funding selected 35 projects, 13 of which are directly related to the transformation of institutions, either through the development of alternative services (foster care, day care centers, centers for children in foster care) or through the customer support people leaving institutions. Another 17 projects for targeting services for children and youth was approved.

Since its founding in 2002, the **Fund for the financing of organizations of persons with disabilities (FOSI)** has supported approximately 100 projects.<sup>68</sup> Otherwise, the Ministry has established a fund to support local initiatives to improve the position of persons with disabilities, because in one of the provisions of the Law on Games of Chance provides that the funds from games of chance, which is transferred to the Budget of the Republic of Serbia, can be used to finance the organization of persons with disability. Therefore, Fund is funded exclusively from the state budget, i.e. from the funds of the lottery.

**Budget Fund for programs to protect and improve the status of persons with disabilities**<sup>69</sup> of Ministry of Labor, Employment and Veterans and Social Affairs, is financing, through public tenders projects, social and humanitarian organizations and 33 national and provincial associations of people with disabilities who gather 526 local associations. Through these projects the development of community services for people with disabilities (supported housing, living rooms, personal assistance<sup>70</sup>) and various program activities are supported (development of stimulating and inclusive programs, office services for a sign language interpreter, helpline, providing legal assistance and strengthening the capacity of organizations of persons with disabilities). Additionally, through a permanent open competition projects are funded in order to improve the accessibility of the physical environment, improving spatial and technical conditions of work of organizations of persons with disabilities, as humanitarian and other programs. Over a billion dinars was earmarked from the Budget Fund for specified projects and activities in the period from 2011 to 2013.

Law on Social Protection established the possibility for transfer of funds from the national budget to underdeveloped municipalities for the development of community services. A prerequisite for the establishment and expansion of these services in the most underdeveloped municipalities is adoption of

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<sup>68</sup> Ministry of Labor, Employment and Social Affairs of the Republic of Serbia, Annual Report (internal document) Belgrade: MLESP, available in printed form

<sup>69</sup> Regulations on the allocation of funds for budget fund programs to protect and improve the status of persons with disabilities to finance social protection institutions.

<sup>70</sup> Ministry of Labor, Employment and Social Affairs, Veterans provides financial support to projects that are implemented corset training programs for potential personal assistants, while the local government unit in accordance with available resources funded work engagement very personal assistants or this service in community.

the act for **earmarked transfers** that would regulate additional funding from the national level in a transparent manner and in compliance with the reform priorities.

### **Service Standards**

**Service standards can be understood as a regulatory mechanism for improvement of service quality.**

With Regulation on detailed conditions and standards for the provision of social protection<sup>71</sup> is defined to whom and in what manner certain social care service is provided to suit their purpose. Prescribed standards apply to all providers of social services in the territory of the Republic of Serbia and represent a means of guaranteeing the quality of social services.

**Only organizations that prove that service is implemented in accordance with the standards will be able to obtain a license for the provision of social services.**

Licensing is a process which examines whether a provider of social services meets the requirements and standards for the provision of services in the field of social protection. The license is an official document confirming that social protection organization (service provider), or professional employee meets the established requirements and standards for the provision of certain services in the field of social protection. Owning a license is a formal requirement for the provision of social services. After the deadline for licensing services<sup>72</sup> only licensed organizations will be able to be providers of social services.

The standards of social care services include two sets of standards:

- **Structural standards** are responsible for the infrastructure, organizational and staff requirements for the provision of services. These standards relate to the facilities, object, location, and suitable equipment, the availability of other services, training of personnel and organization of services.
- **Functional standards** are related to professional process service. They describe how to implement service activities, an estimated effect of providing services, which are obligatory procedures - reception, assessment, planning, evaluation and re-examination of users.

Regulations on detailed conditions and standards for the provision of social services laid down common minimum standards and specific minimum standards of social services.

- **Common minimum of standards** are requirements that all providers must meet, regardless of which service they provide and beneficiary groups to which the service is intended.
- **Specific minimum of standards** are specific and are referred to any specific service or group of services of social protection. Specific minimum standards are mainly determined by the needs of the user group.

### **Targeting (gatekeeping) - Assessment of needs**

The term gatekeeping can be defined as a decision-making system that enables effective and efficient targeting of services to ensure that services are provided only to those who meet clearly defined criteria. An effective gatekeeping implies the existence of the agency responsible for coordinating the assessment of user's needs. Since there is agreement that the Centers for Social Work (CSW) should

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<sup>71</sup> "Official Gazette of the Republic of Serbia", No. 42 of 14 May 2013

<sup>72</sup> Regulations on licensing organization of social protection (Official Gazette of RS, no. 42/2013.) Came into force on 22 May 2013. The deadline for submitting applications for a license is May 14 2016

become the main gatekeepers<sup>73</sup> of the social and child protection in Serbia, their gatekeeper function is progressively built through various mechanisms, such as training and education for employees CSW on the reform subject, guidelines for the implementation of the program (such as foster care), rules for guardianship, adoption, foster care and adopted measures to eliminate irregularities in performing placement of children and youth in institutions of social protection.

The community must be available to the entire range of services to support children and families, in order to prevent institutionalization. At the same time, there must be a set of alternative institutional forms of care replacing the family, such as foster care and adoption.

### **Case management**

Significant changes in the function of family support and prevention of institutionalization represent and innovation in the organization and standards of centers for social work. One of them is certainly the "case management" and the role of "case manager" and "supervisor".

**Case management** means a systematic approach in social work, which includes assessment of activities, arranging access to services, planning, coordination, monitoring and evaluation of services that need to respond to the needs of specific users.<sup>74</sup>

The management and organization of the work process in the center for social work are being introduced to enhance levels of responsibility, so that in addition to the traditional role of the director and manager of the department, there is the role of case manager and supervisor. This new role emphasizes the responsibility for assessing user needs, monitor the process and effects of provided services and the quality of professional work.

**Case manager** is an expert in charge of a particular case which evaluates and coordinates the process of needs assessment particular user, take measures and coordinate the taking of measures to protect and support the user, using the potential of the center and other services and resources in the local community.<sup>75</sup>

In addition to these jobs Case Manager is responsible for the organization and management of the work on the case, and for the following tasks:

- ensures that at all stages of service delivery to the user is provided in the best interests of the beneficiaries, in accordance with professional standards and ethics;
- introduces the beneficiary with services and their rights to participate actively in the process of protection at all stages of procedure, especially in decision-making involving him;
- respect users' privacy and maintain the confidentiality of beneficiary information;
- organizes and implements the provision of services and provision of legal protection measure to a particular user at all stages of professional work at admission, initial evaluation, assessment, planning, implementation, evaluation and re-evaluation;
- coordinates the work of the particular case within the sectors in center and with services in local community;
- decides together with the supervisor on the opening work on the case and is planning an initial assessment;

<sup>73</sup> For more information, see the section Reorganization of services regulated by law

<sup>74</sup> Article 2 of the Ordinance on the organization, norms and standards of centers for social work ("Official Gazette of RS", no.59 / 2008, 37/2010, 39/2011 and 1/2012.)

<sup>75</sup> Article 2 of the Ordinance on the organization, norms and standards of centers for social work ("Official Gazette of RS", no.59 / 2008, 37/2010, 39/2011 and 1/2012.)

- decides together with the supervisor the need to work on directed assessment of situation and needs of users, explains the need for focused assessment and planning its implementation;
- draws up a draft plan of services and, together with the supervisor, decides on its content, the implementation schedule and deadlines for evaluation;
- regulates and coordinates the provision of support and provides direct support to the user under the current plan monitors the implementation of applied service,
- perceives, together with the supervisor, evaluations results and makes a decision about the need for re-evaluation;
- Keeps the records and documentation of user and work with users required by law and regulations based on laws;
- makes special reports-opinions of the user and provides the necessary information to other agencies that provide assistance and support to beneficiaries;
- advocates that beneficiaries who are unable to care for their own rights and interests, due to their condition or circumstances, have easy access to the classification committee, disability committees, school disciplinary commissions, courts, administrative and other bodies that make decisions about their rights and interests;
- □ explains the findings and expert opinion on the needs, rights and interests of individual users to other administrative and judicial authorities.

**Supervisor** provides respect of the standards of professional work and contributes to the quality of services, so that she/he coordinates, directs, trains, supports and evaluates the development of professional competencies of case in order to achieve optimal effects in meeting the needs of users.

Supervisor supports professional workers - case managers, organizing supervision process in all phases of the work as authentic, confidential, professional, neutral, objective, and referring to the case manager with respect.

### **Targeted training programs and staff training**

**The participation of employees in training** was particularly important for employees in institutions. In the framework of the reform project that was initiated by the Ministry of Social Affairs in 2002, special attention was paid to transformation of institutions. For employees in them, within the framework of the project, was organized **training in strategic and action planning for integrated social protection**. Representatives of all institutions (along with employees of CSW and representatives of local governments in municipalities in which the homes are located) participated in seminars on two topics: 1) the preparation of children for changing the type of protection<sup>76</sup>, and 2) the improvement of the work program for the children who remain in institutions.

This seminar was based on the proposed framework for the development of Rulebook for work plan with children in social care institutions. Local experts performed education and training.

Training for employees in institutions for children is also organized in the framework of the protection of children from abuse, neglect and violence. It was attended by representatives of other sectors - education, health care, police, justice, etc.

***In addition, 850 employees of institutions of social protection and CSW were trained to implement measures to eliminate irregularities in performing placement of children and youth in institutions of social protection.***

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<sup>76</sup> This seminar was based on a draft document that was later adopted and printed as Rules of Procedure for the selection and change of type of protection

After training and education, plans for the transformation of each institution are made. Plans include personnel issues, such as planning educational programs for employees who will have different roles in the new, transformed institutions.

There are, however, opinions<sup>77</sup> that the question of staff in social care must be defined in specific programs in the transformation of institutions.

### **The control mechanism**

The functionality of the system depends on the efficiency of the control mechanism. The process of deinstitutionalization and transformation of social care institutions, other than plans and activities, the measures undertaken and the development of alternative services in the community, implies a clear and effective control. The mechanism of control should be a guarantee that all elements/actors of the system to behave in accordance with the rules/norms which is a key prerequisite for the realization of the proclaimed goals and achieving desired effects.

The control mechanism is especially significant considering that the system operates at several levels (national, regional and local). The actors in the system are in different positions in relation to the decision makers (national and local level). It is therefore of utmost importance of decision-makers responsibility to establish a regulatory mechanism that will be clear, precise and transparent in order to allow the control mechanism to be efficient.

Elements of the control mechanism are:

- Social protection inspection
- Appeal system
- Supervision of professional work
- Ombudsman

## **Evaluation of the process of deinstitutionalization and transformation of social protection institutions**

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### **Strengths of the process of deinstitutionalization**

1. **A good orientation towards policy of deinstitutionalization** is expressed by early 2000s, in civil society organizations advocating and projects that have affirmed the principles, possible measures and practices in the process of deinstitutionalization.<sup>78</sup>
  - Principles related to the rights of the child to live in the least restrictive environment,
  - Principles of the philosophy of independent living of PWD and personal assistance as support for equal opportunities
2. **The favorable development of the institutional framework.**<sup>79</sup>
  - The main directions of the reform of the social protection (which started in 2001 and 2005 confirmed that the Social Welfare Development Strategy in 2011, the new Law on Social Protection) include the development of social services for individuals and families in the local community, the development of

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<sup>77</sup> Program Council for making the report on child protection, UNICEF, author Vera Kovačević, CLDS

<sup>78</sup> A major contribution came from the civil sector, which has implemented projects and initiated innovative measures for full participation in society of people with disabilities (Child Rights Center, Center for Independent Living of Persons with Disabilities, Youth with disabilities, Veliki Mali from Pančevo, the Center for Inclusion and many local organizations)

<sup>79</sup> External evaluation of UNICEF noted that the Ministry of Labor and Social Affairs and the Ministry of Education made significant steps towards the introduction of new regulations, which are crucial for children with disabilities

services which are alternative institutional care and planning and intensification of activities aimed at deinstitutionalization and transformation of institutions of social protection.

- Reform of the Education System provides normative assumptions for inclusive education.
- In the area of employment, practice of active employment policy with incentives for employment of vulnerable groups is affirmed. The Law on Vocational Training and Employment OSI provides the prerequisites for their greater involvement in the world of work.

3. **Completion of Comprehensive plan of transformation of social care institutions.**<sup>80</sup> Key assumptions of Comprehensive Plan for the transformation of social care institutions are based on principles that include international documents, primarily the international Convention on the Rights of the Child and the Convention on the Rights of Persons with Disabilities<sup>81</sup>, as well as the relevant social policy and regulatory framework of the Republic of Serbia. The plan is based on the empirical analysis and defines the measures for change and operationalization of the outcome measures.

Ministry verified the Comprehensive plan of transformation of institutions for children and youth (2010) with adoption of **Decision on the network of social protection.**

4. **Efforts by the Government of the Republic of Serbia in the past seven years invested in the reform** of child care have contributed significantly to the development of foster care systems and services in the local community. Many of the current reform efforts are related to children with disabilities, which is necessary in order to ensure access to adequate services in the community in order to create the conditions to remain in the family shelter.<sup>82</sup>
5. **The most significant achievements of the Ministry of Labor and Social Policy with respect to changes in policy**<sup>83</sup> towards deinstitutionalization and social inclusion of children with disabilities are related to some of the new provisions in the Law on Social Protection:
- Law expressly requires that children under three years of age shall not be placed in institution (except in exceptional circumstances)
  - Introduces mechanisms through which stakeholders (providers) who do not belong to the state bodies (such as NGOs) are introduced into the system through the standardization of services and licensing, respectively, issuing licenses
  - Important element is the introduction of earmarked transfers for less developed municipalities to help them develop services in the community.
6. **There has been great progress in terms of deinstitutionalization of children.**<sup>84</sup> The greatest achievement is reflected in a considerable reduction in the number of children without parental care in residential institutions.<sup>85</sup> Some of the homes for children without parental care are closed.<sup>86</sup>

<sup>80</sup> Comprehensive plan foresees a further reduction in the number of children without parental care placed in institutions at about 400 by the end of 2013

<sup>81</sup> The Republic of Serbia is a signatory to the Convention, adopted by the National Assembly of the Republic of Serbia ratified by mid-2009.

<sup>82</sup> UNICEF: External Evaluation

<sup>83</sup> UNICEF: External Evaluation

<sup>84</sup> Basic, Office for Human and Minority Rights, the UN Committee for Human Rights and external evaluation of UNICEF

<sup>85</sup> In late 2001, in homes for children without parental care was placed on the 1900 children in July 2007, 790 children and less for children in 1100, primarily due to the development of foster care. On the other hand, at the end of 2001 to foster care - foster care, there were about 1,800 children while in July there were approximately 5100 children in foster care.

<sup>86</sup> Residential institutions in Vranje, Valjevo and Čuprija

7. **Plans are made for each institution** for children and individual plans for each child in placement.
8. **Proposed Master Plan for the regional distribution of residential institutions and local services** took into account the needs and planning for the unit, due to economies of scale, it takes more than one municipality, i.e. county.
9. **"Tougher conditions" for the placement of children in institutions are regulated.** Social Protection Law introduced a limit for accommodation of children up to 3 years old.
10. **Intensified training of the employees for 'non-institutional protection'.** Ministry intensively works on training of personnel in institutions, which aims to build capacities of employees to work in non-institutional forms of care.

### **Weaknesses of the process of deinstitutionalization**

1. **Selective approach in planning of deinstitutionalization.** Comprehensive Plan (Master Plan) is designed only to institutions for children, or for children in social care institutions.
2. **There is no clear concept of the state to improve the living conditions of people with mental difficulties**, in order to include them in the community, which is in accordance with all the rules that the state under international conventions.<sup>87</sup> The processes of deinstitutionalization of adults have begun relatively late. Lesser attention is paid to the issues of deinstitutionalization of the elderly.
3. **Uncoordinated relationship** (the gap) between the principles which underlie social protection based on respect and indivisibility of human rights and operationalization of strategic objectives at the national and local level
4. **Key assumption in planning the transformation of social protection is not achieved:** "The comprehensive transformation plan should provide *operational changes to the system of institutional placement of children*,<sup>88</sup> bridging the space between the levels of policy-making and level of practice that support is in, addition to policies at the central level, *the municipal development plans of social services* and in operational plans of individual transformation of social care institutions.<sup>89</sup>
5. **Absence of decisions for which the Master Plan provided the basis:** It was expected that the Comprehensive Plan of transformation of social care institutions (Master Plan) will be the *basis for concrete decisions at the central and local levels, as well as on the level of residential institutions*. Also, it should be the bases to other relevant decisions are in line with the objectives which are provided by Comprehensive Plan transformation (Decision on the network of institutions, funding decisions, etc.).
6. **"Financial framework" of transformation of institutions is neglected<sup>90</sup>** and is based on *unrealistic expectation* in terms of structural changes in the budget for social protection: It was expected: "...

<sup>87</sup> The statement pronounced by the Ombudsman at Conference in October 2013.

<sup>88</sup> This means that the Comprehensive Plan of transformation should be the basis for concrete decisions at the central and local levels, as well as on the level of residential institutions. Also, the decision on the network of institutions, funding decisions, investments, should be in accordance with the objectives envisaged by the Comprehensive Plan of transformation.

<sup>89</sup> With operational plans for residential institutions for children without parental care have been completed and two regional plan that gives a detailed overview of social care services for children and young people in South Banat and Nis district (CLDS. Regional development plans of social services for children and young people - a framework. Belgrade, 2009).

<sup>90</sup> "All the residential institutions for children without parental care will be transformed into centers that have little capacity for temporary / extended residential accommodation, respite, as well as day care services, supported housing, group housing, etc. (services that will be incorporated into the new Law on Social Protection and which are consistent with the needs of the local community)."

..Transformation of institutions **will reduce costs of residential institutions**,<sup>91</sup> but it is important that these funds remain available for funding foster care or, for example, co-financing of minimum services required to support the family in municipalities such services cannot be financed from local budgets. "

7. **Disparity in time periods** that are required for the new normative solutions, for establishing the price of services, to complete the regional and local plans and their impact on individual plans of institutions, leading to delays in meeting deadlines for achieving the objectives of deinstitutionalization and at the same time allows the appearance in the short term, since which some endanger the medium and long term objectives set out in the Master plan.
8. **Inadequate development of program activities in the community.** One of the crucial preconditions for deinstitutionalization **is the existence of alternative (substitutes) community services for customers with specific needs.** In practice, the development of community services (primarily day care centers) is more in function of the increased availability of services for "out of the house" than to "return to home" (out of the institution).
9. **Activities on the development of community services are not always coordinated<sup>92</sup> and are not based on projections of future state of institutional capacities.**<sup>93</sup> Also, the creation of new services in the municipalities and regions and districts are not clearly (operational) associated with the process of deinstitutionalization.<sup>94</sup>
10. **The network of foster families** is geographically unevenly and specialized foster care as one of the key prerequisites for the "deinstitutionalization" of children with disabilities is insufficiently developed.<sup>95</sup>
11. **No system of monitoring and reporting** on the implementation of the Master Plan, or "transformation of institutions" as this plan was provided.<sup>96</sup>
12. **There was no evaluation of the process of deinstitutionalization** and, in particular, its individual elements. Thus, for example, there is no evaluation of "new measures" as a special foster care, as well as the effects of training and human resource development needs assessment and the provision of services in the community.
13. **Unrealistic assessment of the sustainability of services.** Local initiatives and projects for financial support for the development of services provide a statement on the sustainability of projects and the selection is based on acceptance of the declaration without relevant assessment.
14. **Expectations from the Master Plan are without defined mechanisms for achieving the results.** "By the end of the implementation of the Comprehensive Plan for the transformation is expected from **employed in all residential institutions to take advantage of some of the proposed solutions**"<sup>97</sup>:
  - Staying in transformed institution with the possibility of professional training,
  - Staying in transformed institution with re-training,
  - Employment in the nonprofit sector (service delivery), with the security standards of service, quality control and regular financing,
  - Starting their own businesses with the help of which, in the framework of the active employment measures, provided by the National Employment Service (this primarily relates to the support staff and the services that do not fall within the scope of social protection, for example. Bakeries),
  - Retirement.

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<sup>91</sup> Master plan

<sup>92</sup> The rating is taken from the document "The foundations for a planned approach to deinstitutionalization."

<sup>93</sup> During the harmonization of the Comprehensive Plan for the transformation were ongoing activities funded from the National Investment Plan (NIP), a competition was announced and the Social Innovation Fund (SIF).

<sup>94</sup> Due to the lack of coordination, often there is no adequate alternative solution for users who leave the institution.

<sup>95</sup> A clear definition of specialized foster care does not exist yet, so they are conflicting figures or reliable to assume that at the moment there are no trained for specialized foster family. About 22% of children with disabilities is in foster care.

<sup>96</sup> By the end of 2009, the MLSP will establish a system for monitoring the activities and results achieved on the basis of the Comprehensive Plan for the transformation. Regular monitoring is necessary for successful operation and the necessary changes if circumstances change. Annual reports on the progress of the Comprehensive Plan for the transformation will be entered into the process of submission of annual reports of residential institutions for children and centers for social work.

<sup>97</sup> Based on operational plans, all employees in residential institutions should get a clear picture about the options, and employees need to provide support to the selected option and use.

15. **Solutions in the Master Plan for facilities/buildings and other material and technical resources are optional and not operational and do not contain a financial calculation.** "Units/buildings represent important resource that will be preserved through the transformation, taking into account the cost of the proposed intervention. Possible solutions such as:
- Adaptation of buildings to become accessible in accordance with the standards for PWD and could accommodate moderate, severe and difficult handicapped children,
  - Replacement of building with another space (e.g., in agreement with the Ministry of Education, where homes for children without parental care share space with students' dormitory)
  - Replacement or sale of the building while providing new space in agreement with the municipality in which the residential facility is located.
16. Not fulfilled all the relevant requirements in the Comprehensive Plan of transformation of social care institutions for support to families with children who have developmental disabilities.

### **Barriers for deinstitutionalization**

1. **Not established comprehensive policy and strategy of deinstitutionalization and special plan for deinstitutionalization** and transformation of social protection institutions and other entities of social support providers.
2. **Country lacks strong and clearly defined inter-sector policies under the leadership of the Government** with respect to the prevention of institutionalization and providing a continuum of services to support a family.
3. **Financial constraints to delay the adoption and implementation of the new policy:** The global economic crisis has led to the freezing of public spending, which had a negative impact on the availability of resources for any development initiative that is beyond the scope of current services. Specifically, any significant reforms cannot be funded from additional sources obtained from economic growth, but require reducing spending elsewhere in the system. This has slowed down the adoption of the new Law on Social Protection, for which they deploy additional resources (e.g., funding earmarked transfers for improving services in the less developed areas).<sup>98</sup>
4. **Unfinished reform of social protection**, i.e., unregulated issue of "cash flows" in the process of providing services (assessment of needs - referral service - choice of service provider - fee for the service) is an obstacle for intensifying the process of deinstitutionalization and transformation of social care institutions.
5. **Not established funding system that allows equal status of all potential service providers**, i.e., the transformation from the system that is financed inputs in state institutions to the system who finances specific services per user and thus provides transparency regarding the cost of services, as well as competition among potential providers.
6. **Difficult inter-sector cooperation for an integrated approach to meeting the needs of children with disabilities.** MLESP and ME are in the process of reform, which (among other things) is essential for the social inclusion of children with disabilities. As in the case of any other serious reform, these sectors are faced with numerous challenges by unions, institutions whose staff should pre-qualify, lack of resources and so on. In context of this "high pressure", it has become extremely demanding to act as intermediaries, and provide an integrated approach to improving the process of social inclusion of children with disabilities. These difficulties have existed before, because each sector has its own laws and appropriate bylaws, **which makes a unique approach to the regulatory level difficult.** Extremely centralized Government is yet another obstacle, since it is proved that the decentralized Government, i.e. actors at the local level who work in the field, see the need for a coordinated and unified action. Some of the initiatives of the Government are directed to this question, but it is too early to assess the

<sup>98</sup> From the external evaluation of the UNICEF project

amounts of success. Regarding the work of UNICEF and the use of Children's Rights Council, as the body that plays a key role in the cooperation between sectors and ministries, there has been little progress. Therefore, the achievements at the policy level in the framework of this project greatly vary from sector to sector.<sup>99</sup>

7. **Truancy of coordinated actions at the local level in achieving deinstitutionalization:** it is necessary to support resources in the local community (e.g., special education, inclusive preschool, day care, or the excellent cooperation with the health centers, counseling centers,, service development ", and pediatrician). The fact that in this process many actors are involved can be considered as an advantage that enables the exchange of experiences and better developed approach to the problem. On the other hand, „transfer" of responsibility from one to the other actor is an additional risk.<sup>100</sup>
8. **Truancy of financing the implementation of the Plan for transformation of institutions** through the National Investment Plan (NIP) is great obstacle in securing resources for structural changes in the network of social protection.
9. **The normative framework is not favorable for private and non-governmental sector** (period of contracting services is too short; service standards are undifferentiated and "raise" the costs, unequal position of "public" and "private sector and others.)
10. **The dynamics of the regulatory process is uneven** and has not been finalized in some key components, and the process of decentralization depends on the further reform of state administration. The possibility of strategic and planning documents greatly depends on other regulatory processes, such as legislation, with who are laying down the conditions for entitlement to services, content of services and organizational and structural issues that require legal persons who decide on the rights of social protection and providing these services.
11. **The worsening conditions for the sustainability of services provided on local level** (unstable decision-making structure, discontinuities in the implementation of plans, unstable financing services, etc.) is destabilizing efforts for deinstitutionalization, i.e., providing favorable conditions for the prevention of institutionalization.
12. **Inertia of professionals and "the silent resistance" of managers of institutions** due to the uncertain and insecure perspective is also a barrier to deinstitutionalization and transformation of residential institutions. There is an evident awareness that the legal basis and traditions of institutionalization of children is difficult to change, because this tradition is still entrenched in the attitudes of ordinary people, but also many professionals and decision makers.
13. **Services in the community are generally at an early stage of development**, especially in the less developed parts of the country.
14. **Slow development of "special foster care" and "supported housing" services**, especially for adult beneficiaries, is an obstacle to a more intense and faster process of de-institutionalization and transformation of institutions.
15. **Ineffective innovation transition** (proposal of new solutions based on pilot projects and good practice) in "regulatory mechanism" for managing change processes and achieving the objectives of deinstitutionalization and transformation of social protection.

### **Opportunities for deinstitutionalization**

1. **Progress has been made in increasing of policy makers' awareness,**<sup>101</sup> key stakeholders and the general population about human rights, rights to social inclusion of people with disabilities.
2. **Media campaign sparked increased interest of citizens,** the corporate sector and media.<sup>102</sup>

<sup>99</sup> From the external evaluation of the UNICEF project

<sup>100</sup> From the external evaluation of the UNICEF project

<sup>101</sup> UNICEF developed a guide for members of the Parliament

<sup>102</sup> External evaluation of UNICEF

3. **Campaign and political consensus for "complete reform" and financial consolidation of budget** is opportunity to clear "position" as the cost of de-institutionalization and the effects of the transformation of social protection.
4. **The continuity of incentives for the development of services is provided** and support to community projects for the development of "substitutes" (alternative) services for institutional accommodation at the local level (conceived and launched with the support of a SIF, the Fund for the financing of the associations of persons with disabilities, NIP and international donors) through earmarked transfers to help underdeveloped municipalities and for social innovation.
5. **International support for the process of social protection reform and, in particular, the process of deinstitutionalization**, can be expected to continue in the future if guarantees for greater efficiency and effectiveness of investments are provided.
6. **Service providers**, i.e., **established network services**, the organizational and human resources as well as the expectations of the users at the local level, developed through the supported local projects, are structures who are emerging and that mobilize and combine all available resources, with the potential for self-preservation in the process of decentralization of public administration and social protection systems.
7. **Expectation of favorable trends** in the development of inclusive education, affirmative measures for vocational training and employment of persons with disabilities and intensive preventive activities of promoting and protecting the health of vulnerable population groups.

## Conclusions and recommendations

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Presented report of the deinstitutionalization of residential institutions of social protection in Serbia, on the basis of desk-top analysis of a number of key strategic documents, including strategies for social protection, the Law on Social Protection, UNICEF's project on the transformation of institutions and other relevant projects, gives the possibility of drawing conclusions about implemented policies.

Given that the conclusions and guidelines should be based on a comprehensive analysis and suggest integrated and coordinated action, it is necessary to its connection with the results of:

- Analysis of the economic aspects of institutionalization,
- Projects dealing with the deinstitutionalization of institutions for adults with mental and intellectual disabilities.

After that it will be possible to formulate, based on our knowledge and experience, **starting point for a dialogue** with international consultants.

After a comparative overview of the process of deinstitutionalization in developed countries and exchange of experiences with the example of good practice in Austria, "final document" will be formulated, that will contain: (a) conclusions and (b) recommendations for courses of action - guidelines for improving the process of deinstitutionalization.

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### Background

In the last few decades, deinstitutionalization can be seen as a widespread trend in supporting the citizens who are not able to meet their needs outside the system provided by the state. The dominant role of large institutions, in which persons with different needs are placed, is lessened by the insistence on support in a local community and by the development of different services for which there are arguments that they offer a more adequate response to those needs. In the previous decades, the capacities in institutions for people with mental disabilities in all countries of Western Europe have been reduced, and in Italy, Iceland and Sweden such institutions virtually do not exist (Medeiros et al. 2007).

Seeking a more appropriate way to support different groups of residential institution beneficiaries in Serbia started to gain significance in the beginning of the 80's. 90's brought other priorities, mostly those of existential nature. The residential institution beneficiaries' status became a topical issue again after 2000, when the reform of the entire social welfare system commenced. In the Social Welfare Development Strategy<sup>103</sup> in Serbia, deinstitutionalization is not explicitly specified as a unique and direct course of action, but the commitment to it is clearly stated by the insistence on supporting the beneficiaries even in the least restrictive environment, by the development of services in a community and by the transformation of social welfare institutions.

With the Law on Social Protection adopted in 2011, the priority was given to the support of beneficiaries within a family, placement to another foster family and to the support through community services, while institutional placement is provided only if the previous options are unavailable or they are not in the best interest for the beneficiary<sup>104</sup>. The Law prescribes the provision of residential placement services in a way that provides the preparation of the beneficiary's return to their biological family, moving to another family, i.e. preparation for an independent life, and all in accordance with family resources, needs and best interests<sup>105</sup>. Special attention was given to the avoidance of placing children in social welfare institutions. The Law allows residential placement for children who are less than three years old, but only in exceptional circumstances of up to a two-month period, and with a special permission of a

<sup>103</sup> The Government of the Republic of Serbia *Social Welfare Development Strategy*, *Službeni glasnik RS.No. 108/2005*

<sup>104</sup> The National Assembly of the Republic of Serbia: *the Law on Social Protection – Article 52. Paragraph 1. Službeni glasnik RS, No. 24/2011*

<sup>105</sup> The National Assembly of the Republic of Serbia: *the Law on Social Protection – Article 52. Paragraph 4. Službeni glasnik RS, No. 24/2011*

competent ministry<sup>106</sup>. In parallel with the building of a new legislative framework and structural capacities, a series of, primarily, project activities that result in more than evident reduction in the number of children and young people placed in social care institutions, took place in Serbia over the past decade. The numbers for placement of children and up to 26-year-old young people in social care institutions decreased from 3,554<sup>107</sup> beneficiaries in 2000 to 1,618 in 2013<sup>108</sup>. These results can be contributed not only to the administrative measures which prevent the placement of children in institutions, but also to the revitalization of foster care, which has a powerful tradition in Serbia. Expansive development of foster care is reflected in the increasing number of children who use this service. The number of children and young people who are placed in foster families increased from 1,961<sup>109</sup> in 2000 to 5,922<sup>110</sup> beneficiaries in 2013.

As opposed to the significant progress in relocating children from large residential institutions, there weren't significant changes with adults. The number of adults in institutions where persons with physical, mental, psychological and sensor difficulties are dominantly placed remained almost unchanged. In 2009 there were 4,284 persons in these institutions, and in 2013 the number was slightly changed to 4,226<sup>111</sup>.

One should definitely bear in mind that the potential for deinstitutionalization is primarily conditioned by the beneficiaries' needs, and also by the possibilities of supporting persons placed in social welfare institutions. According to the assessment carried out by professional employees in social welfare institutions where persons with physical, mental, psychological and sensor difficulties are mostly placed, 1,160 out of 4,109 beneficiaries have a need for the third and fourth level of support (Ognjanovic et al. 2014). The third level of support includes the beneficiaries' ability to take care of and engage themselves in the activities of everyday life in a community, but due to insufficiently developed knowledge and skills they need the necessary supervision and support of another person. The fourth level denotes the assessment according to which a beneficiary is able to perform all everyday activities independently, or with reminding<sup>112</sup>. Therefore, there is no doubt that there is a significant number of beneficiaries in institutions whose needs can be met outside the large residential capacities. The question whether there are possibilities for supporting these persons through alternative services is completely separated because, as Medeiros concludes (Medeiros et al. 2007), it is easy to close down an institution and that it is a challenge to establish a good system of community services. Mapping of social welfare services (CLDS 2013) has shown that it is difficult to speak of a developed service system that would support the beneficiary's release from an institution or the prevention of further predominant reliance on large institutions. Namely, the community services for people with disabilities are organized in 33 out of 145 local government units in which the Mapping was conducted, and only in 9 local communities more than one service for this beneficiary group was set up. It is clear that Serbia has a long way to go before it can fulfil the conditions for enabling deinstitutionalization.

<sup>106</sup> The National Assembly of the Republic of Serbia: *the Law on Social Protection – Article 52. Paragraph 2 and 3. Službeni glasnik RS, No. 24/2011*

<sup>107</sup> Dakić B. *Respect for the family and realizing the right of children with disabilities to be included in the community in Serbia - Prevention, inter-sectoriality and overall lessons learned from child care reform – Presentation an the conference : Every Child has a Right to Live in a Family Environment: Taking Stock of Results and Identifying Next Steps*, Tbilisi, Georgia, November 2013

<sup>108</sup> The Republic Institute for Social Protection: *Children in Social Welfare System 2013*, <http://www.zavodsz.gov.rs/PDF/decasz2013.pdf>

<sup>109</sup> The same as 5

<sup>110</sup> The Republic Institute for Social Protection: *Deinstitutionalization in Serbia*

<sup>111</sup> The same as 8

<sup>112</sup> The Ministry of Labor, Social Policy and Employment: *the Ordinance on Detailed Criteria and Standards for Social Care Services Article 15. Paragraph 3 i 4; Službeni glasnik RS broj 42/2013*

Deinstitutionalization is most often seen through the prism of human rights, which represents a powerful stimulus to decision-makers to take further steps in that direction. Economic factors are not, nor should they be, a primary basis for determining the policy for the development of support services for persons with disabilities. However, the decisions on reducing the number of residential institution beneficiaries and their close-down have their own economic consequences (Stancliffe et al. 2004). Not a small number of authors classify the economic aspect as one of the primary motives for the adoption of deinstitutionalization policy.

While some claim that deinstitutionalization has become a more accepted concept among the potential it has in reducing the costs (Shen and Snowden 2014) due to lower costs of community services in relation to the residential placement (Chisholm 1997), others warn that institutional approach could, due to the effect of the economies of scale, lead to lower costs (Knapp et al. 2011). One gets the impression that the greatest agreement was achieved on a more cautious conclusion that indicates the differences in beneficiaries' needs, their affinities and environment, so the costs of support services are therefore different. The effect of the residential institutions close-down in local communities where those organizations are located is also connected with the economic context of deinstitutionalization (Lemay 2009). This particularly applies to smaller local communities that are a frequent choice when founding social welfare residential institutions, which are especially intended for persons with physical, mental, psychological and sensor difficulties. Namely, the paradigm present in the time of founding such institutions imposed, more or less, the need that the persons with different psycho-physical disabilities do not be exposed to the public. In those circumstances, small local communities seemed as the ideal locations for the construction of residential capacities. Having gained the role of the dominant employer and consumer of goods and services in communities, the institutions became a significant factor in local communities. Consequently, the close-down of such institutions could have a noticeable effect on local communities. Hence, as Mansell concludes (Mansell et al. 2007), local economic development should be taken into consideration when planning the deinstitutionalization process. Also, deinstitutionalization financing is often emphasized in writings as an issue of primary importance (Hempel 2009). Inadequate financing can jeopardize the further course of deinstitutionalization, which is particularly evident in the transitional phase – the transition from the institutional way of beneficiary care to giving support in a local community. The experiences from Italy suggest that the lack of financial support of services in a community was one of the problems which appeared during the system reform (Morzycka-Markowska 2015). Overall, there is no doubt that economic factor play a significant role in deinstitutionalization (Knapp et al. 2011).

Firmly established moral paradigm of social welfare suppressed the economic factors in regard to the importance of beneficiary needs when designing the system. That, certainly, does not mean that some important economic elements remained completely unnoticed. Uneconomical use of funds via the dominant support to beneficiaries through the placement in an institution is found in the Social Welfare Development Strategy. Primary role that was given to local services in supporting beneficiaries can, among other things, be seen as a tendency to achieve better effects with the same cost. One can, as well, get the impression that the effect of deinstitutionalization on local communities is acknowledged, so economic, and above all, political challenges that are taken into consideration are possible. Therefore, residential institutions close-down is not mentioned in strategic and planning documents, but they insisted on their transformation into organizations which would provide a wider array of services.

The responsibility for community services financing is given to local governments with the introduction of a mechanism that allows financial support of the central level of government to the less developed local communities. Central-level support is also intended for communities where there are social welfare institutions whose transformation is expected in the future. However, the implementation of these

principled solutions brought a series of challenges and doubts, but it also pointed to the need for a more precise editing of provisions that were introduced as a novelty in the social protection system.

## The purpose of the study

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The main purpose of the study is to support decision-makers in the further process of deinstitutionalization by eliminating the concerns that follow this process and result from the impact of economic factors. The tendency is, also, to clearly point out the economic consequences of the reform which involves shifting the focus from residential placement to open forms of welfare. It is important that the information based upon the research about these consequences is available to policy makers, public administration and advocates, so that deinstitutionalization can be planned and carried out in a rational and economically sustainable way (Stancliffe et al. 2004). Managing grounded information in due course would prevent possible negative effects of deinstitutionalization, and the positive results would produce a stronger effect on beneficiaries and community. Barriers to further advancement of deinstitutionalization policy would be broken and operationalization of decisions that are framed with the existing strategy and norms would be enabled simultaneously by removing concerns with decision-makers. Although this study does not shrink from the wider contribution to deinstitutionalization concept, its primary purpose is to underpin, with facts, making decisions that have a predominantly economic character.

The most common economic challenge that deinstitutionalization policy makers face is the ratio of costs arising from beneficiaries support through local services, and the expenses that institutionalization requires. As costs vary depending on the type of service, the needs that are met and on the regulations which govern this area (Mansell et al. 2007), it is certain that a clearer understanding of these costs within the system established in Serbia would significantly contribute to certainty when making further decisions. The number of studies focusing on the ratio of residential placement expenses and support through community services has been on the increase. The results vary between individual countries due to different economic and political systems, as well as the structure of health and social services (Medeiros et al. 2007). Hence, it not surprising that the conclusions of these studies did not affect decision-makers in Serbia. Therefore, the first question that arises is: Does supporting social care beneficiaries in Serbia by providing local community services require higher costs than those coming from placement in a social welfare institution?

When there are uneven regional development and a high unemployment rate, as it is the case in Serbia, every change in large institutions of local importance is followed by the risk of consequences that those changes can have on local community. Therefore, the caution when making decisions on radical changes in the status of such institutions comes as no surprise, especially if the key facts about possible effects are not available. What are the effects of deinstitutionalization on local community is definitely one of the top questions put before the competent decision-makers.

The interdependence of sustainable financing and deinstitutionalization process has already been highlighted (see Hempel 2009). On one hand, decentralization of social welfare, which includes the responsibility of local government to finance the majority of community services, represents a challenge that exceeds the area of ensuring social welfare services provision (see Matkovic 2006). On the other hand, the transit phase of moving from the dominant placing in an institution to the support by community services, requires the investment in infrastructure, equipment and strengthening the competence of service providers, etc. These transit costs involve the employment of additional assets in

a short period of time (Mansell et al. 2007), which requires additional commitment. How to set up a stable financing of deinstitutionalization and everything that this process involves is a question that most certainly burdens deciding on public finances.

This study will not be a part of current discussion about the justification of deinstitutionalization as a concept. The constant questioning of the stands is a prerequisite for development and it is necessary that such process be unequivocally supported. However, following the public policy cannot wait for the end of discussions that, normally, do not end but are necessarily carried out until the consent for their change is reached. In this case, the emphasis is placed on the supporting the implementation of an already formulated deinstitutionalization policy. That does not necessarily include the acknowledgement of the current policy. On the contrary, it is possible, and sometimes desirable, that the tendency towards the advancement of an already formulated policy implementation results in certain modifications in its very content.

## Goals and Methodology

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Starting from the purpose of the study, the first goal is related to a ratio of costs arising from the support to beneficiaries and expenditures required by placements in an institution. As pointed out in previous research, a comparison of costs makes sense in case of similar services (see Knapp 2011), those that can represent an alternative to each other. Targeted groups, the purpose and program activities of individual services will be compared by the systematic examination of the legislative framework, by which it will be established which types of support, included in the social welfare system in Serbia, can be an alternative to a placement in an institution. Cost-effectiveness analysis will show the amount of the costs of individual services and the relationship of costs per unit of service.

As a rule, the success of cost-effectiveness analysis depends on the data that is available, primarily those related to the type and the amount of the costs. Financial statements of the service provider would usually be used as a data source for cost-effectiveness analysis. However, in this case the required goal wouldn't be achieved that way. In the analysis *the Expenditures of Services for children Social Welfare at the Local Level and the Unit Costs* (CLDS 2012) data on the costs of services were collected from providers themselves, but the information on expenses and unit costs have enabled the comparison only from that aspect, and not from the aspect of the overall performance of the services provided. Namely, at the time when the research was conducted, due to a lack of service provision standards, there were noticeable differences in the quality and in the expected outcome of service provision, which makes their comparison pointless from the aspect of cost-effectiveness. With the Regulation on detailed conditions and standards for the provision of social welfare services becoming effective, the standardization of the services according to their quality and expected outcomes was enabled. However, as the deadline was set by the Regulations, by which providers must meet the required standards until April 2016, the conditions for the expenses comparison exercised in the practice of service provision have not been fulfilled yet. In such circumstances there remains a comparison of the costs for applying the standards by which, according to the mutually equal criteria, values would be determined in accordance with the character and nature of the service. The values obtained in this way will not credibly show the costs of the service provision in absolute amounts, but will allow their comparison in relative terms. Bearing in mind that the purpose of the research is focused on relations of the costs for providing various services, and not on their amount, this method will provide the expected results.

The second goal stems from the impact of deinstitutionalization on the local community. The Government of the Republic of Serbia, according to the Law on Regional Development<sup>113</sup>, each year adopts a single list of developments which is determined by applying the Methodology for Calculation of the Level of Regional and Local Government Development<sup>114</sup>. Bearing in mind that the primary purpose of this study supports the decision-makers, it is completely justified to use the same tools used by the public policy-makers. In the first phase the values measured by the application of the Methodologies will be corrected by the values which result from the social welfare institutions' close-down. This way would lead to the indicators of the impact of institutions' close-down on the level of development of local governments.

As the influences of developments on the labor market are not sufficiently covered in detail by the aforementioned Methodology, this segment will receive extra attention. Projections of the labor market development after the possible close-down of the social welfare will allow a more detailed knowledge of the possible consequences of deinstitutionalization on the labor market. More complete insight will allow the comparison between the supply and demand on the labor market in the circumstances of the institutions' close-down or further acknowledgement of their work. Therefore, the achievement of this goal will be preceded by the projection of the labor market development in the circumstances of further acknowledgement of social welfare beneficiaries' institutionalization.

The third objective of the study is the evaluation of the functionality of the existing funding mechanisms of deinstitutionalization in two key domains – community services and transition process financing. The first phase will include the definition of the clear scope and content of these two areas, in accordance with the planning and legislative documents. The second phase is the critical analysis of the normative framework, which regulates community services and the transition process financing, as well the analysis of the available data. The final goal will be achieved by comparing the expected outcomes and results achieved by the application of the existing mechanisms.

The study *Economic Aspects of Deinstitutionalization* is limited to social welfare institutions that predominantly place the adults with mental, sensor and intellectual difficulties. There are several reasons for such a targeted approach. Firstly, in the past course of deinstitutionalization in Serbia mostly covered the institutions for children. Previously, there was very little tendency for deinstitutionalization that would include adult users with mental, sensor and intellectual difficulties. Another reason is that certain common characteristics of these beneficiary groups provide a basic level of comparison of the support provision services. Therefore, the study will include fifteen institutions under *the "Regulation on the Network of Social Welfare Institutions"*<sup>115</sup>, as follows:

The institution for adults and elderly *Kulina*, *Kulina*, *Aleksinac*

The institution for adults and elderly *Tutin*, *Tutin*

The institution for adults and elderly *Otthon*, *Stara Moravica*, *Bačka Topola*

The institution for adults and elderly *Srce u Jabuci*, *Jabuka*, *Pančevo*

The institution for adults and elderly *Gvozden Jovančičević*, *Veliki Popovac*, *Petrovac na Mlavi*

The institution for adults and elderly *Trbunje*, *Blace*

The institution for adults and elderly *Čurug*, *Čurug*, *Žabalj*

<sup>113</sup> The National Assembly of the Republic of Serbia *the Law on Regional Development* – Article 13. Paragraph 1 *Službeni glasnik RS, br. 51/2009 i 30/2010*

<sup>114</sup> The National Assembly of the Republic of Serbia *the Law on Determining the Methodology for Calculation of the level of Regional and Local Government Development RS, No. 68/2011*

<sup>115</sup> The National Assembly of the Republic of Serbia: *Uredba o mreži ustanova socijalne zaštite, Službeni glasnik RS No. 16/2012*

The institution for adults and elderly *1. Oktobar*, Stari Lec, Plandište  
The institution for adults and elderly *Vasilije Ostroški*, Novi Bečej  
The institution for adults and elderly *Izvor*, Paraćin  
The institution for adults and elderly *Male pčelice*, Kragujevac  
The institution for adults and elderly *Zbrinjavanje*, Pančevo  
The institution for adults and elderly *Doljevac*, Doljevac  
The institution for adults and elderly *Zemun*, Zemun, Beograd  
The institution for adults and elderly *Tešica*, Tešica, Aleksinac

## CONCLUDING REMARKS

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### Alternative services

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Determination of the so called alternative services is very limited in range. The choice of social protection services primarily depends on the needs of beneficiaries. If these are adequately assessed, the social protection services cannot represent alternatives to one another but an effective support to the citizens. Therefore, the services are not a question of choice as the term “alternative“ suggests, but a need of the beneficiary. The term “alternative services“ makes sense in a transitional period, which moves from a system with dominant residential care of beneficiaries to diversified local community support. In such a process, when formulating content of underdeveloped services the up to that point, one of the criteria is also their potential to replace the service of residential accommodation as the most restrictive type of beneficiary support. As opposed to that, in situations of already developed various types of support, the choice of service reflects its potential to respond to the needs of beneficiaries and can hardly represent an alternative to another, at least when speaking of standard services.

One of the reformist directions in social protection entailed moving of the focus of support to citizens from residential accomodation to community services that would cater to the needs of beneficiaries in a less restrictive and more familiar environment. In this way, transition process started including finding adequate replacement for residential accommodation. In normative terms, diversification of services was completed by their standardisation in the Rulebook on Closer Conditions and Standards for Provision of Social Protection Services. Bearing in mind the target groups of beneficiaries, the purpose and programmatic activities implemented, three services may represent an alternative to residential accommodation: accommodation in small institutional campuses, supported housing and day care service.

### Accommodation in small institutional campuses

Small institutional campuses may replace care of beneficiaries in big institutions in all aspects. In addition to the number of beneficiaries, the key differences between the residential accommodation and accommodation in small institutional campuses are in organisation primarily. Further to insisting on taking the burden as much as possible from the so called “medical model“ and as near as possible to a home atmosphere, this is still collective accommodation with maximum 100 beneficiaries. As opposed to that, work organisation and programmatic activities in small institutional campuses are conceived in a way close to the family life and to encourage individual characteristics of each beneficiary and may accommodate 12 beneficiaries at the most. Also, the work in small institutional campuses is based on multifunctional competencies of staff and use of other community services and resources. On the other hand, due to an institutional character and a large number of beneficiaries accommodated, institutional

accommodation relies on hierarchy, specialisation of staff and seeks to encompass all the functions within an organisation. Small institutional campuses adequately replace institutional accommodation of beneficiaries, particularly so in transition when other services are insufficiently developed as a rule. Regrettably, the target group of the latter form of accommodation is legally limited to children and youth gaining independence. Since this work primarily targets the beneficiaries with sensory impairments, mental and intellectual difficulties, the service of accommodation cannot be considered an adequate alternative to residential accommodation in the context of that group.

### Supported housing

The most frequently perceived replacement for institutional accommodation is supported housing. Though a support service for independent life, this service is available around the clock as is the case with accommodation services. Like accommodation in small institutional campuses, the work of professionals in supported housing focuses on multifunctionality with a more pronounced reliance on community resources. The key feature of supported housing is maximum participation of beneficiaries in daily activities. Local community potential to engage the service beneficiaries is particularly pronounced. Namely, as the expected outcome of the service is maximum level of independence, it is difficult to imagine fulfillment of this aim without economic independence of the beneficiaries. Also, the beneficiaries of supported housing often need health care exceeding primary level. Should such support of the health care system be available as in larger urban areas, supported housing could fulfill needs of the service beneficiaries. In all, the service of supported housing has the potential to replace institutional accommodation, but depends on diversity and accessibility of various forms of community support.

### Day care

Day care cannot be considered full replacement to institutional accommodation. This primarily because day care, as a service, does not entail around the clock care about beneficiaries as is the case with institutional accommodation, small institutional campuses and supported housing. Accessibility of daycare is not limited by duration but it is not expected to be offered 24/7 due to its very nature. Consequently, in order for day care to be considered as an alternative to residential accommodation, one must take into consideration the activities of the beneficiaries that take place outside the service (housing, nutrition, social activities, etc). Still, day care represents an important service in the context of deinstitutionalisation in cases when families are willing to provide support to the beneficiary but this support is lacking during a certain period of the day due to lack of competencies or daily employment obligations. Day care is an example of a combination of community support and support that beneficiaries receive in family environment. The beneficiary is most supported by his closest family, but this responsibility and the burden on the family go undrecognized very often. In case of inaccessibility of family support, professional support needs to be organised and it involves higher costs, as a rule (Mansell et al. 2007).

The Rulebook on Minimum Conditions and Standards poses expectations on day care services, similar to those posed to small institutional campuses and supported housing. A higher degree of autonomy of beneficiaries is the ultimate aspiration here also, but with more precise insistence on programme activities. As opposed to the two above-mentioned services, day care directly affects the families of beneficiaries by giving them time to deal with employment and other activities.

### **Limitations of alternative social services**

Community based social protection services have limited potential in taking the beneficiaries out of residential accommodation. The concept of services identified as a possible alternative to residential accommodation and their organisational character entail significant reliance on overall capacities of local communities. As concluded in earlier research, the needs of beneficiaries often exceed the support that may be offered by a single service or in a single system (Mansell et al. 2007). Adequate health care infrastructure is particularly important. The majority of beneficiaries – as many as 72.4% have chronic conditions diagnosed by specialists, and 95% of the beneficiaries regularly use prescribed therapy (Ognjanović et al 2014). Among those diagnosed with chronic conditions, 74% of beneficiaries require regular visits to doctors or regular care of medical staff. More or less autonomous health care of beneficiaries may be organised in residential environment with a large number of beneficiaries. As opposed to this, such an approach would be unjustified with alternative services and the beneficiaries would necessarily be covered by local capacities of the health care system. This standpoint could be taken also in other vital areas, such as employment, education, etc.

As a rule and in line with the legal solutions, alternative services are provided to a smaller number of beneficiaries than the those of residential accommodation. Also, irrespective of the level of multifunctionality of staff in organisations providing alternative services, one may hardly expect such a wide range of competencies among the service providers with smaller number of beneficiaries, and consequently of staff as well. This situations call for engagement of external support for provision of services, the so called “outsourcing”. External support may be engaged for different segments of service provision – from food preparation to implementation of individual programmes included in the service. Such an approach gives the service provider organisational flexibility and the preferred dynamics to the content of the service. Tough engagement of external support of different profiles should not pose a problem in big urban areas, it may constitute an important challenge of deinstitutionalisation in smaller towns.

### **Justification of costs of affirmation of alternative services**

The application of methodology of calculation of costs of achieving the set standards points to uniformity of costs of provision of services included in the analysis. Detailed conditions and standards defined of social protection service provision leave space to the management of service providers to adjust the work process to the concrete needs of the beneficiaries. From the aspect of expert work and the beneficiaries themselves, this approach is entirely justified as it does not entail prediction of circumstances which are highly individual.

From the point of view of assessment of costs of fulfillment of standards, precision in definition thereof directly impacts the precision of the costing of services. The application of methodology of calculation of costs of achieving the set standards points to the uniformity of costs of provision of services included in the analysis. A more substantial deviation relative to the service of accommodation is calculated with day care services, the costs of which are 23 index points lower. Provision of service of supported housing requires eight index points higher costs relative to residential accommodation, while this difference is somewhat higher with hybrid form of day care and amounts to nine index points. As expected, one may uphold that provision of day care service results in the lowest cost relative to the other four services included in the analysis. Day care involves expenditures during a part of the day only, since the service itself is not to be provided throughout the entire 24 hours. This is the very reason for inclusion of day care service in analysis as a hybrid consisting of costs of the basic day care service

and expenditures for basic livelihood of beneficiaries in household or family environments. As expected, this hybrid sum of costs is the highest. Namely, the multitude of costs of the facility providing services and the costs of beneficiaries are calculated also during provision of the basic service in households. This primarily refers to power costs, hygiene, etc. Still, the expenditures of day care II are not as high as could be expected, the reason being the relatively low staff costs the ration of which is always the highest in total costs of services.

As opposed to residential accommodation and supported housing, the costs of salaries of staff in day care are calculated only for the morning shift while these expenditures emerge in morning and evening shifts of the two other services in line with their particular characteristics. The difference in the costs of residential accommodation and supported housing is eight index points. This difference is not sufficient to single out one of them as cheaper, because of a series of assumptions related to work in shifts applied in calculation of costs of salaries. A different organisation of work relative to the assumptions applied in the analysis would change the ratio of expenditures between these two services. However, it is not likely that such changes would result in more significant differences in ratio of expenditures between residential accommodation and supported housing. A conclusion ensues that the costs of services included herein are quite uniform with the exception of day care which requires the lowest costs on the account of the period of accessibility. Consequently, the difference in costs of the service of residential accommodation on the one hand, and the so called alternative services on the other, may not impede further affirmation of community services that would replace residential accommodation.

The major share in the expenditures of all the reviewed services is those of the staff costs – more than 40% in all the services and as much as 58% in direct costs of day care service. The share of costs of beneficiaries in total costs ranges from 30% in day care to 37% in supported housing. The ratio of costs of facilities providing services in the total expenditures are the highest in day care II - 23%; in residential accommodation 17% and just over 14 % in supported housing.

The identified differences in the sum and structure of expenditures are primarily the result of differing concepts of the services analysed. This is particularly evident in the staff norms, although some inconsistencies potentially affecting the costs of services are noticeable here also. Economies of scale reflected on beneficiary costs, particularly so on food expenditures. Still one cannot conclude that this has crucial impact. Two reasons are key for this standpoint: the first one is the difference in the very concept of provision of certain services. From the aspect of organisation, residential accommodation involves a more precise division of tasks and a higher level of specialisation in staff competencies, on the one hand and almost total absence of participation of beneficiaries in executing tasks that are of vital importance for their daily life. If this way of work was to be applied to alternative services, supported housing in particular, the costs per beneficiary could be significantly higher than those resulting in residential accommodation. In these circumstances, economies of scale would show all its features due to the necessarily higher number of staff per beneficiary. This approach would be accompanied by a high level of specialisation of staff and the passive role of beneficiaries. This is not the case in the concept of services that may represent an alternative to residential accommodation as the focus is on multidisciplinary competences of experts, engagement of beneficiaries in line with their capabilities and needs and use of other community-based services.

The second reason for absence of a more pronounced impact of economies of scale is a legal limitation of the number of beneficiaries in residential accommodation to maximum 100 persons. Were the number of beneficiaries in one residential facility be many times higher, the expected costs per beneficiary could be lower. Though such an approach would be directly opposed to all the principles of social protection in Serbia, only four of 15 institutions implements the article of the Law related to limiting the number of beneficiaries.

Based on cost-benefit analysis of the selected services, one may conclude that alternative services do not require significantly higher costs than residential accommodation. However, it is worth noting that transition from a dominant institutional care to community-based provision of services would result in increase of public expenditures in the line of social services. Namely, by moving the beneficiaries from residential accommodation, provision of alternative services would not be limited to that beneficiary group only, and the services would become accessible to a much higher number of persons who had no opportunity to access this form of support thus far.

### **The relative ratio of the beneficiaries costs**

The structure of beneficiaries costs is equal for all services, except for the day care center, where two of the four types of costs, according to the characteristics of the services do not appear. The dominant share of total beneficiaries costs belongs to food costs. Regarding the day care center service costs, the food costs make up 98% of all costs. In the case of supported housing and the day care center, these costs are equal to the share in the overall beneficiaries costs, which is 85%. The lowest share of the food costs in the group beneficiaries costs of 82% was calculated in the case of home placement service.

The total beneficiaries costs of the day care service are lower by 28 index points compared to the same costs of home placement service. As noted, this comparison does not make sense because the day care center service is available only eight hours per day. However, the beneficiaries costs of day care center and supported housing are higher than the costs of home placement beneficiaries by 22 index points. Here comes to the fore the economies of scale, which effect is reflected in the possibility of institutions with a large number of beneficiaries to internally prepare food and in that way achieve lower costs of food. On the other hand, supported housing and the day care center include preparing two meals in the household and one through the procurement of external services. It is possible that the beneficiaries of supported housing could independently, with staff support, prepare diet entirely, that would lower the costs but it depends primarily on the needs assessment of beneficiaries which are, as already said, very individual.

### **The relative ratio of employees costs**

Application of the standards requires engagement of 45 employees per 100 beneficiaries in providing supported housing service, or 41 person engaged in the case of home placement service. In the case of both services it is assumed number of employees, because the labour regulations do not specify standards regarding work in shifts. If the work in shifts was regulated in a different way than what is assumed in this study, the cost-effectiveness of services could significantly change. In providing of day care center service it is necessary to hire 30 employees. The difference in the standardized number and structure of employees arises, naturally, from the character of different services.

Number of employees in providing day care service is lower by 27% than the required number of person engaged in home placement service. However, the ratio of the amount of salary costs of employees is only 11% in favor of home placement service. This disproportion is due to very different structure of employees. In case of providing day care services, it is regulated hiring only professional and highly educated workers and associates. On the other hand, home placement service predicts hiring only eight professional workers and professional associates for 100 users. Standardized number of professional workers and associates for providing day care service is more than three times higher than standardized number of employees in the same profile providing home placement service. For such difference there is no justification in the services content. Day care service is certainly not to that extent more complex than the home placement service, in order to be necessary to hire several times higher number of highly educated workers. Also, for home placement service is characteristic engagement of instructors, that are not mentioned in day care service and supported housing. It seems that this is the expected result of the multifunctionality of professional workers engaged in the provision of alternative

services, while in home placement service work organization can be established with workers who have higher degree of specialization. However, the Regulations governing professional activities in social protection, as well as detailed conditions and standards for their performance, does not mention the instructor, but mentions working instructor which suggests activities that are not only characteristic in home placement, but in alternative services as well. This inconsistency causes slightly more home placement cost, then would not be the case if a better functional balance of employees is normatively established.

Number of hired nurses, reveals the nursing nature of a home placement service. Such a high number of nursing staff is normed for the users of the first and second level of support, of four levels in total. This regulation to some extent reduces ability to compare services, bearing in mind that limitations of the level of support are not normed in the case of day care service and supported housing. Opposite to the home placement service, the expected characteristics of supported housing are: multifunctionality of professional workers, maximum participation of users in performing everyday activities and reliance on the resources in the local community. However, the anticipated volume of the nursing staff in providing supported housing service is higher by 50% compared to the number of employees, of the same professional profile, in the case of home placement. This difference is to some extent justified by smaller units for provision of services, which can have a maximum of 12 users. However, the impression is that detailed standardization of nursing staff volume, in accordance with the needs and level of customer support, could result in lower supported housing costs.

#### **The relative ratio of the service providing facilities costs**

Method of calculating the cost of applying the minimum standards shows that the highest facility costs are expected in the case of day care center, 24 index points higher than the same cost of home placement service. As expected, the facility costs are the lowest in the provision of supported housing services which, in height, are 30 index points below the facility costs of home placement service.

Direct costs of the day care service facilities, which would include only the area in which the service is provided, would be by far the lowest, only 54 index points compared to home placement service. Because of the functional balance in service comparison, at the same time are covered the costs of the facility in which the service is provided and the costs of a facility in which the user lives, almost all values are calculated twice.

The amount of facility costs of home placement service, is conditioned in the first place by communal services. Suppliers of services from this group, as a rule, charge for their services at a higher rate for commercial and industrial facilities, or at a lower rate for household. Paradoxically, social protection institutions for accommodation of service users pay for communal services at a higher rate, although is the de facto case of facilities where users live. Cleaning facilities for housing is calculated as external service. It is very possible that, in facilities with a maximum capacity, these costs could be lower if they are internally organized. However, those costs do not have enough impact on the total facility costs, so their imbalance do not contribute significantly on final ratio.

For low facility costs of supported housing, is most important the fact that it is a household in the true sense of the word. Unlike the other two services, the supported housing facility costs are accounted at the lower price range. This striking imbalance from the day care center service facility costs, is the result of already mentioned double facility costs in which the day care service is provided and the facility in which the user lives, which by the nature of the services is not the case with the supported housing.

It should be noted that the facility costs are the most suitable to achieving different results in practice compared to those obtained by applying the method of calculation of minimum standards. Regardless of the type of service and the needs of users, the facility cost is largely conditioned by its physical characteristics: location, design solutions, available infrastructure etc.

## **The effect of deinstitutionalization on local development**

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Fifteen institutions for social protection accommodation users, which are included in the analysis, are located in thirteen different municipalities. Two municipalities, Aleksinac and Pancevo, have two institutions on their territory. Possible closure of institutions for social protection accommodation, would have inevitably impact on the local communities in which these institutions are located. Analyses of changes in the level of development of local self-governments as well as the trends in the labor market due to a possible termination of the accommodation institutions work, point to the interconnectedness of users in relation to the population of local government units and effects that would cause the closure of the institutions. So in smaller communities where institutions with a large number of users are located, the negative effects of the closure of the institution would be more evident than in larger urban areas, especially those in which institutions do not have very large number of users. It follows that the possible negative effects of deinstitutionalization on the local environment differ for each municipality in accordance with its characteristics.

## **The level of development of local self-government after the deinstitutionalization**

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The application of methodology of reduction of indicators of economic development of local self-government (LED) based on the exclusion of institutions income from total amount of revenue of municipal showed different results. Two of the thirteen municipalities could change the group classification according to economic development due to the closure of residential institutions. It should be noted that the municipality of Tutin is already classified in a group of devastated local governments so that the transition to a lower group, according to the degree of development is not possible, regardless of the amount of indicators LED on the basis of which the classification is done. The municipality of Plandište would be classified into fourth instead of a third group of development. On the territory of this municipality is one of the largest institution that mainly accommodates people with mental, sensory and intellectual disabilities whose capacity exceeds 500 users. At the same time, it is the municipality that has just over 11,000 residents. Municipality of Aleksinac in the case of closing the institution would move into a group of devastated local governments. In Aleksinac are located two institutions with a total capacity of about 650 users. In municipalities Plandište and Aleksinac LED would be the most reduced but the change in classification may occur, not only because of the amount of reduction of this indicator, but also because of the proximity to limit values of group development. This refers to the consideration of not only the changes in the group classification of development but also a change in the amount of LED indicators for each municipality.

Closure of accommodation institutions, or excluding institutions revenues from total revenues of the local community would lead to various changes in the height of the LED indicators. The lowest changes would take place in Belgrade where the LED would be reduced to insignificant 0.02 index points compared to the average in the Republic of Serbia. Followed by Pancevo, Paracin and Kragujevac with a reduction of LED indicators to one index point. In the municipalities of Backa Topola, Žabalj, Petrovac, Blace, Doljevac and Tutin this reduction ranges from one to two index points. The most evident decrease in LED indicators due to the closure of the institution is in Novi Becej 3.66, Aleksinac 4.06 and Plandište with LED reduction of as much as 11.25 points.

It is clear that in case of closing the institution, the size of institution greatly affects the consequences of deinstitutionalization which would be reflected to the local community development. The institutions in the municipalities of Novi Becej and Plandište are among the largest in Serbia and in Aleksinac are even two institutions for accommodation. However, the institution with the greatest number of users located in Kragujevac, where the change of LED indicators, due to the closure of the institution, was

less than one index point. From this are anticipated the results of further analysis of changes in the value of LED indicators due to the closure of the institution. There is almost complete correlation between the population of the municipality in relation to the number of institutions users on the one hand and the value of changes in LED indicators on the other.

### **The impact of deinstitutionalization on the labor market of the local community**

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In the accommodation institutions that are covered by this study, are employed more than 1,600 people. The share of employees who are directly engaged in the provision of services is 32%. Medical workers participate in total with 18%, while half of the employees are administrative and technical staff. This structure of employees raises concerns in terms of the institution's transformation and transition from the dominant institutional care to providing support through "alternative service". Results of the analysis showed that the staff in the institutions engaged in the direct provision of services, could continue its work on providing "alternative service". After the relocation of beneficiaries from institutions in all municipalities would appear significant demand for staff that would provide alternative services. The offer of professional workers, associates, and the nursing staff, from accommodation institutions, it is less than the demand, which would in the particular administrative district arose due to the movement of users from the institution. However, the affirmation of "alternative services" would not necessarily cause the demand for technical and administrative staff. Administrative and technical occupations, justified, are not covered by the standards of providing services, but activities performed by employees with these professional profiles are certainly necessary in the provision of services in the community. However, it is difficult to expect, by the nature of the services provided, that the small local organizations would directly employ administrative and technical staff. It can be rather expected that service providers would use external collaborators to perform these activities. Age structure of employees is partly reassuring in terms of planning the transformation of institutions. The largest share of 64% in the total number of employees are persons between the ages of 31 to 50 years. This age group faces a minimum of obstacles in the labor market. The age group from 60 to 64 years, that faces major challenges on the labor market, has a share in the total number of employees in the institutions of only 8%.

Retaining the maximum occupancy in the institutions for accommodation includes licensing of these institutions in accordance with the existing number of users. At the current level of occupancy due to fulfillment of standards, institutions that were included in the analysis would be required to hire an additional 777 skilled workers, professional associates and nursing staff till April 2016. Such development would have a positive effect on the labor market in 13 local communities. The current offer on the labor market in all 13 municipalities, can respond to the demand that would arise in such circumstances. The negative effect would be reflected in the concentration of demand in only 11 of the 25 administrative districts. Also, the side effect would be uneven distribution of funds through transfers for the accommodation services from the central budget.

In the circumstances of the closure of accommodation institutions, the effects on the labor market, as expected, would differ for each local government unit where the institution is located. As in the case of changes in the amount of the basic indicators of economic development of local government units, the decrease of employment, or increase of unemployment in the case of the closure of institutions is strongly correlated with the ratio of users to the total population of the municipality. Special attention causes Plandište municipality in which the employment would decrease by 11% and unemployment would increase by 16%. The negative effects of the municipalities of Aleksinac and Novi Bečej are not expressed as in the previous case but require special attention when it comes to planning the transformation of institutions in these local communities. Closure of accommodation institutions in

vulnerable circumstances would affect Petrovac municipality in which employment would fall for, not so dramatic or 2%, and unemployment would rise by as much as 7%.

Deinstitutionalization, due to the movement of users from institutions and their referral to alternative services in local communities from which they originate, would cause significant demand for professional services in local communities from which they originate, would cause significant demand for professional profiles that correspond to the professionals workers, professional associates and nurses. The demand that would occur in the circumstances of the closure of the institution is twice higher than demand, which would cause harmonizing the institutions with standards for providing social protection. Seemingly this statement is inconsistent with approximately the same cost of home placement and alternative services. Increased demand in the labor market due to deinstitutionalization is primarily caused by dispersive users schedule. Referring to alternative services in the community, equal number of users is distributed in all municipalities unlike current 13 municipalities. Since the standards are not proportional to the smaller number of users, excess capacity occurs in the calculation. There is no doubt that account surplus of staff capacities would be filled with customers who have a need for services in the community, but have not been previously placed in an institution.

An important feature of labor market trends in terms of closing the institution is significantly more balanced relationship between supply and demand. Deinstitutionalisation is causing demand in all municipalities in Serbia, while in the circumstances of meeting the standards in accommodation institutions, this demand, as has been said, is concentrated on a limited number of local communities. The result of this balance is equal distribution of public funds.

### **Financing of alternative services**

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Current circumstances of financing of social welfare services which are provided in local communities refer to the application of the Law on Social Protection. Since 2011, when the law was adopted, its segments related to social welfare services financing have been applied to a limited extent. It is certain that the entire section related to certain aspects of services financing have been entirely excluded from the current application. This situation greatly complicates the cost analysis of social welfare services financing. Previously established practice in operating, financing and providing social welfare services has been applied to a large extent even after the adoption of the Law in 2011. On one hand, it makes no sense to analyze the previously established practice because such analyses preceded the adoption of new solutions. On the other hand, to consider the effects of the reform in this area cannot be empirically supported if there is no experience in the application of the mechanisms that were established with a view to system improvement.

Specified financing of social welfare services by beneficiaries or their relatives applies only to home placement services. The main reason is the lack of appropriate by-laws that regulate this issue more closely. At the central level an ordinance related to placement services is applied, but there is no procedure regulated in detail for financing other social welfare services by their relatives. Some local communities have prescribed this form of financing, but it is still a small number of municipalities. The way in which the area of social welfare services financing in the communities that have adopted the proper ordinances and the way in which those ordinances are applied is a separate issue. For now, the effects of financing social welfare services by beneficiaries are negligible. It is true that the financial potential of this form of financing is not extensive, but it is important to fulfil duties towards all citizens and to apply the principle that requires that social protection is carried out in a way that ensures the achievement of the best possible results in accordance to the available funds<sup>116</sup>.

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<sup>116</sup> The National Assembly of the Republic of Serbia, *The Law on Social Protection* – Article 28, *Sluzbeni glasnik RS*, No. 24/2011

Financing of social welfare services by the relatives has been highlighted in a large number of previous cases as a mechanism that beneficiaries avoid. Complex and for many beneficiaries unpleasant proceeding before the court is the reason why this form of financing is reluctantly applied. Previous experiences of financing of social welfare services by the relatives are based on the placement services that, as a rule, require more costs than public services due to their content and duration. If a detailed ordinance applies this form of financing on public service as well, it is certain that, in some cases, services costs will not be able to justify the administrative procedure costs, and the whole procedure will be rendered meaningless. On the other hand, abandoning this form of financing would lead the citizens without relatives who are able to finance services to a disadvantaged position. It is also important to take the taxpayers and their expectations in terms of rational use of public funds into consideration. One of the ways of financing of social welfare services by their beneficiaries is to give approval to a competent center for social welfare for the registration of mortgage right on real estate owned by the beneficiary. This form of financing has so far been applied when providing funds for home placement services, and it is hard to imagine that it can be established when providing daily community-based services. Significantly lower amount of costs of daily community-based services, the duration of services, as well as their dynamics, reduce the justification of registration of mortgage right implementation as model of financing this type of services. However, in the case of supported housing, this model of financing seems promising, and the very reason is high costs, duration and the dynamics of services.

Many authors highlighted some forms of financing, such as financing by relatives and the registration of mortgage right, as those whose implementation didn't show the expected results. The undoubted reason for this is uninformed beneficiaries. The lack of motivation in social welfare centers for the registration of mortgage right implementation is also highlighted. The lack of SWC's motivation for the implementation of this model is clearly the dominant cause for uninformed beneficiaries. However, SWC's motivation should not be of the utmost importance. Social welfare center is not the competent authority and it does not bear responsibility for social welfare services provision. SWC's responsibility is limited by the actions whose implementation is delegated to it. Hence, the responsibility for the provision of 'alternative services' in principle bears a local government unit that should, on one hand, be motivated to apply every model that contributes to a rational use of public funds and fulfil the duties towards citizens, on the other hand. Registration of mortgage right on beneficiary's property undoubtedly contributes to the fulfillment of both aforementioned LGU's responsibilities. In what way LGU will motivate SWC, whose it is founder, to implement the delegated procedures is an important issue, but it falls within the field of governing within the public administration – it exceeds the range of this study both by its scope and content.

The use of the assistance and care for another person allowance and the increased assistance and care for another person allowance for the purpose of financing social welfare services is a complex and sensitive subject. One shouldn't necessarily identify the purpose of this form of cash benefit with social welfare services. It is quite possible that it necessary to provide additional support of assistance and care to a particular beneficiary in comparison to other beneficiaries of the same service. This, of course, requires higher costs, which justifies the existence of cash benefits such as the assistance and care allowance whose purpose would, at least to some extent, be the financing of that additional kind of support. On the contrary, if the identical support is provided to all beneficiaries within one service, the selective payment of the assistance and care allowance is unjustified in terms of public spending. Hence, the use of the assistance and care allowance should be conditioned by a functional assessment of beneficiaries' needs, which is not the case at his moment. The application of this form of support is conditioned by a medical assessment of beneficiaries, although the funds from the allowance for care and assistance are not directed towards meeting health needs financed from other sources. Furthermore, the conditions for gaining the right on the assistance and care of another person do not

include beneficiaries' material circumstances, while other forms of support from public funds are conditioned by the assessment of the material status of beneficiaries. Since the assistance and care allowance is not a means deriving from beneficiary's insurance, such approach undermines the equality in the use of public funds. Bearing in mind a number of functional inconsistencies and the fact that the allowance for assistance and care of another person requires the expenditure from the budget amounting to more than 9,000,000.00 RSD a year, it is necessary to thoroughly examine this form of support according to the principle that requires service provision in accordance with the function they have, coherently and systematically as well, so that a beneficiary receives a comprehensive social welfare<sup>117</sup>.

Financing social welfare services at a local level, in terms of its scope, content and method, has not been established in a manner prescribed by the Law. This general assessment does not refer to financing at the level of autonomous province that cannot be seen isolated from local government units. Namely, the autonomous province has no direct responsibility of financing local social welfare services, but it has a mechanism that provides support to LGU in fulfilling their duties. It is irrelevant whether the autonomous province does that by direct financing of services or by transferring earmarked funds to local government units. On one hand, the activities of autonomous provinces have contributed to the improvement of financing local social welfare services in Vojvodina. On the other hand, municipalities in Central Serbia have, thus, been put at a disadvantage. Namely, the support of the provincial and central level for the provision of social welfare services within their competence is available to LGUs on the territory of Vojvodina, while only the support of the central government is available to the municipalities in Central Serbia.

Financing social welfare services at a local level in a manner prescribed by the Law can be divided into two principal challenges – lack of capacity and lack of motivation. Lack of capacity is primarily reflected in tangible assets. The Law on Local Self-Government Financing obliges the Republic of Serbia to, in any delegation or entrustment of new tasks to a local government unit, provides adequate sources, i.e. sources of income, needed for performing these tasks<sup>118</sup>. After the adoption of the Law on Social Protection in 2011 that has introduced a number of new responsibilities to LGU from the area of social welfare, municipalities weren't granted additional funds on this basis. Mechanism of earmarked transfers which are supposed to financially support the provision of social welfare services in LGUs whose level of development is below the average of the Republic of Serbia, has not been applied yet. Financial capacities certainly aren't the only ones missing. Introducing new responsibilities requires adequate professional capacities. In the previous decade there was a series of activities that improved professional capacities for services provision. However, insufficient attention was devoted to management capacities of LGUs in the field of social welfare. Expectations in this segment are mainly focused on social welfare centers. As already pointed out, SWC is not a body of the Managing Board, and its task is to implement the actions delegated to them so that they cannot be responsible for managing social welfare at the local level. It is true that LGUs can delegate a part of administrative tasks to the centers, but it requires the provision of capacities for which financial assets are needed. Furthermore, a question arises whether smaller local communities can provide a professional capacity even in the conditions of the adequate financial stability. The Law stipulated the possibility of joint operations of several local government units in the area of social welfare, which would help to overcome the lack of professional capacities and probably rationalize employing assets, but this kind of approach did not meet LGUs' interest. In addition, the possibility of a public-private partnership that could contribute to the flexibility of the operation of social welfare services provider and to the possible

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<sup>117</sup> The National Assembly of the Republic of Serbia, *The Law on Social Protection* – Article 30, *Sluzbeni glasnik RS*, No. 24/2011

<sup>118</sup> The National Assembly of the Republic of Serbia, *The Law on Local Government Financing* – Article 3, *Sluzbeni glasnik RS*, No. 47/2011, 93/2013, 99/2013

disburdening of the initial investment in the establishment of social welfare services, did not grab decision-makers' attention. The special role in LGU's motivation for the establishment of social welfare services belongs to the division of the responsibilities for the provision of services at different levels of public administration. Bearing in mind the separation of responsibilities, with the development of services in communities, LGUs burdens the local budget and prevents the referral of a beneficiary to home placement, which disburdens central sources of financing. Without doubting the best intentions of municipal officials, in such circumstances it is expected that they reduce the expenses for which someone else is responsible by spending funds they are responsible for. From the aspect of financial management, these circumstances are extremely demotivating. LGUs' practice in the procurement of social welfare services is not compliant with the law. Planning is directed towards the function and not towards the outcome, which negatively affects the economy. Procedures of procurement of social welfare services are not carried out, and instead, services are provided through the process of financing civil society organizations, but they are established only in a short-term period, with an uncertain medium-term sustainability.

Central government has two key roles in the financing of social care services. In the first place it is about establishing policy and planning at the national level. However, the social protection improvement program as a basic tool for this purpose predicted by the Law, has not been implemented yet. The lack of planning in a complex and comprehensive process, results in inadequate fulfillment of obligations towards the citizens and therefore unjustified involvement of budget funds. Another role of the national level of government is reflected in the equalization of opportunities of local governments to meet their obligations in the provision of social protection services. Allocated transfers provide the ability to support local government units, which are due to the economic circumstances unable to fulfill their obligations in the field of social protection. Also, the mechanism of intended transfers includes the development component of encouraging system improvements and innovations based on specific needs. Especially evident the role of this mechanism of transferring funds from the central to the local level, is support to local governments on whose territory the institution in transformation is located. The clear intention of the legislator is that in this way to support the deinstitutionalization but it remains unclear why this support is related to the location of the institution itself. Anyway allocated transfers are a key tool for the balanced development of social services in local communities, and a further delay in the implementation of this solution fundamentally threatens reform commitment. It is important to emphasize that the effects of the absence of application of allocated transfers are to some extent reduced by financing local services through open concurs intended for local governments and civil society organizations. However, the generality of the criteria for the allocation of funds and uncertainty which is arising from the one-year funding indicate the risk of inefficiency. Due to the different purposes of the projects financed by the aforementioned open competition it is difficult to make accurate conclusions about the amount of funds that are directed to social protection services, but it is certain that this is a significantly lower amount than the one predicted in the adoption of the Law on Social Protection. The reason for this surely lies in economic circumstances, because it would be wrong to separate the amount of total public funding and expenditures for social protection, but it should not be overlooked that the lack of investment in social services jeopardizes the entire reform process that lasts for the entire previous decade.

## RECOMMENDATIONS

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### **The effectiveness of social protection services**

Day care service and especially supported housing present a reasonable alternative to institutional accommodation. However, it would be useful to consider the possibility of users with mental, sensory and intellectual disabilities to be accommodated in a small home placement community. Providing this service to users with mental, sensory and intellectual disabilities would show particular importance in the transitional period, during the development of resources in local communities. Also, this way would contribute avoiding further investments in capacities of large accommodation institutions which are, on the one hand necessary in order to improve the position of the user, and on the other hand unjustified if the intention is to reduce these capacities in the future.

The content of customer support with physical, mental, sensory and intellectual disabilities, far exceeds alternative social protection services or other services of the system in the local community. First of all, it is necessary to have adequate health care and a range of other services. In major urban areas, there are capacities for integrated support, while the provision of such content in smaller communities may represent a key challenge. Building the capacities at the municipal level is expensive and time-consuming process, therefore, to incentives for the development of the necessary content at the level of administrative districts, through inter-municipal cooperation would contribute to reform economy, rational use of capacity and above all the certainty of providing adequate support to the citizens.

The primary purpose of de-institutionalization is the inclusion of social protection users in all segments of society. It would be difficult to imagine achieving this goal without working engagement and pursuing economic empowerment of users. It is certain that the economic independence will not be achieved for many users, but the tendency itself would contribute to greater involvement, and consequently to relieving personal, family and public budgets. Therefore, it is important to encourage programs of work engagement of users, actively combine them with social protection services, and even to consider standardizing such activities as separate services.

Family plays an important role in the de-institutionalization, especially in terms of users return from accommodation facility. Depending on the length of the users absence, new circumstances certainly represent a big change for the family. It is essential to provide adequate psycho-social and material support for the family to avoid "re-institutionalization ". This includes the engagement of additional resources particularly in terms of strengthening the capacities of social protection centers. De-institutionalization is a lengthy and expensive process, with implementation of random and locally limited activities, de-institutionalization can not produce the desired effects and thus can not justify the engagement of funds whose volume can not be insignificant. Local planning is indispensable, but process that involves the engagement of different resources at all levels of management, the allocation of funds from the central budget and the conversion of infrastructure under the administration of the central government requires a unique and coordinated approach. It should be considered that the de-institutionalization involves the relocation of beneficiaries from institutions in which they were sent, often far beyond the local communities from which they originate. The unavoidable role in planning of deinstitutionalization belongs to centers for social work. Planning in social work centers, unlike the other actors of deinstitutionalization, is based on the needs of specific users and on assessment of the available capacities for providing support in the surroundings. A set of information about individual user's needs and capacities to meet them, gives a clear picture of the current shortcomings of the system. However, in this way can not be solved the need for long-term and medium-term projection of needs that precedes responsible planning of public funds. It would be important thing to develop tools, which would get to a valid medium-term projections of needs and would provide technical assistance to local governments. Imperative of roof planning could be achieved through the Program of improvement of social protection as a sort of departmental source of public policies whose adoption is required by the Law. The adoption of the same type of document at the municipal level is anticipated, where decision makers are required to coordinate content with Program adopted by the central government. In this way

it would be achieved coordinated planning and functioning at all levels of public administration. However, bearing in mind that deinstitutionalization includes institutions in the health system as well, and that the support in local community includes several different departments, more efficient the main plan for deinstitutionalization would be the one adopted by the Government of the Republic of Serbia.

### **Greater cost-effectiveness of alternative social protection services**

Cost-effectiveness of social protection services is analyzed based on normed standards. In this way is achieved partial comparability of costs of various services without reliable information on their height. Completion of the initial licensing process will enable the provision of quality comparable services in practice, which will create conditions for a more reliable understanding of the costs. The important thing would be to repeat the study on the costs of social services, after the deadline for licensing of service providers. In the documentation that must be submitted to the competent ministry service, providers are required to submit a calculation of the service costs, on which base can be done following cost analysis. Since it is costs calculation, delivered by service providers, calculated on the basis of estimates, more reliable data would be received after a certain period of service provision in accordance with the standards, in this way by analyzing it would be included the effects of different markets and customer needs.

Law on Social Protection introduced an important novelty in terms of standardization of services and licensing for their performance as a precondition for quality. All providers of social services have time until April 2016 to comply with the requirements for obtaining a license, so it's no surprise the professional public is focused on standardized services. However, we must not lose sight of striving for continuous improvement of users support through innovation that would enable greater effects with the same or lower costs.

Economies of scale showed no significant impact on the costs of providing services and one of the reasons is the limitation of the number of users in institutions. However, the legal maximum limit of 100 users that can be accommodated in one institution does not apply, and this number is several times higher in some of the accommodation institutions. It is possible that calculation of costs based on the actual number of users in residential institutions, would lead to a different relationship between the cost of alternative services and institution accommodation service. Such a disproportion between the legal provisions and the existing circumstances in practice, prevents the responsible planning, while the position of users in institutions with several hundred users, deserve a more detailed discussion that goes beyond the contents of this study.

Costs of staff have the largest share of the total costs of services and therefore deserve further attention. Standards of day care center services, relating to professional qualifications of staff, are set to noticeably higher level in relation to the home placement service. Taking into account all the particularities of these two services, it seems that the daily activities at the home placement service does not deviate from the activity at the day care center to the extent that it can be suggested on the basis of differences in the staff structure. A day care center service certainly has a very complex content but it would be useful to consider mitigation of standards relating to professional qualifications of employees, which would reduce the costs of providing these services. Current norms are not precise in the part that is referring to the engagement of staff by shifts in the provision of home placement service and supported housing service. The need to engage staff in less intensive part of work days may vary depending on the needs of users, however, it is the expenditure that can have a decisive influence on the total amount and the ratio of service costs, and should consider the possibility of a more detailed regulation of this kind of standard. Also, it would be advisable to consider the standards governing the scope of nursing staff in the provision of supported housing services. More precise norms, which would be conditioned by varying degrees of users support, could result in lower cost of services.

Cost analysis of service providing facilities pointed to a striking inconsistency in payment of communal services. Because many of the suppliers of communal services have tariff system that distinguishes households and legal entities, there are differences in the cost of these services arising from the

ownership of the object and not from the purpose for which the building is used. In this way, the users of the services are put in unequal position. Furthermore, the fact that the users of social welfare services live in facilities for the provision of services, especially when it comes to home placement and supported housing, so there is no point giving them a different status than the classic household, when it comes to payment of communal services. These circumstances are often caused by the policy of communal services suppliers, so it is hard to influence the situation, however, this form of inequality which significantly affects the cost of services, should not remain unresolved.

### **Reducing the negative impact of deinstitutionalization on local development**

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Clearly shown the impact of deinstitutionalization on local development, once again points to the need of process planning. During the transformation of institutions, it is necessary that planning relates to each individual organization that provides housing services, and besides number of factors, it is important to take into account the circumstances of the environment in which the institution is located. Special attention should be directed toward large institutions that are located in the local communities with a small population. Regarding the risks of negative impact of deinstitutionalization, municipalities of Aleksinac stands out, in which there are two of the 15 institutions and municipality of Plandište that, with a relatively small population has one of the largest institutions for accommodation of users with mental, sensory and intellectual disabilities.

The impact of deinstitutionalization on the local labor market is primarily positive because it would achieve greater balance between supply and demand and, consequently, a more balanced allocation of resources. Challenges in this area are primarily expected in the absence of certain professional profiles in smaller communities so that it would be useful to prevent such circumstances. There is no indication that professional workers who are employed in residential institutions were at risk of long-term unemployment in terms of expansive development of local services, especially if you take into account a reasonable degree of mobility within the administrative districts. There is no indication that professional workers who are employed in accommodation institutions were at risk of long-term unemployment in terms of expansive development of local services, especially if you take into account a reasonable degree of mobility within the administrative districts. On the other hand, a large number of administrative and primarily technical staff employed in accommodation institutions, has no clear working perspective in the circumstances of reducing the number of employees in residential accommodation. Bearing in mind that these are people who have the skills whose application goes beyond the narrow scope of social protection, it appears that the risk of unemployment could be softened by the corresponding self-employment programs.

Due to the impact of deinstitutionalization on the local environment, the main plan would reduce the negative effects, it would contribute to rational use and repurposing of existing resources through coordination activities between neighboring local governments. Using the administrative capacities of the district, as part of the central government, could contribute significantly to inter-municipal cooperation.

### **Effective financing of deinstitutionalization**

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The main impression of the analysis of deinstitutionalization financing is the lack of full implementation of the Law on Social Protection. Law on Social Protection contains a number of regulations that allow successful deinstitutionalization but many of the regulations are not applied. The adoption of the social protection improvement program, as a planning document which directs public funds in the area of social protection, has not become common practice at the central or local level. There is no application of many mechanisms of financing social protection services and above all there is no key support to units of local self-government through allocated transfers. Thus, the full implementation of the Law on social

protection is imperative to further improvement of the system. This does not mean that the Law is not prone to improvement. On the contrary, the application of the Law would clearly indicate the potential shortcomings that need to be rectified. Conversely, if the Law is not applied then the analysis of its effects is difficult, often impossible and even ignored. The first step towards the application of the Law, surely implies the adoption of predicted by-laws that closely regulate certain areas, but strict implementation of legal regulations includes support to participants at all levels and adequate supervision.

The participation of users and their relatives in the financing of alternative services, primarily due to lack of closer regulation of this area, is completely absent as a possibility. Adoption of by-laws relating to this type of financing would partly contribute to the relief of public expenditure, but primarily the result would be directed towards greater justification of the use of budget funds. Also, it would be important to apply the Law regulations relating to the use of the addition funds for care and assistance of another person as the source of financing of social services provided in the community because it is a budgetary expenditure which in one part have identical purpose. Application of this legislative solution would contribute to divert the conditions for entitlement to addition funds for care and assistance of another person from the current medical assessment on the assessment of the functional needs of users. Obligation of relatives to participate in the financing of social protection services, due to inevitable court proceedings is reluctantly applied in practice. This complex and unpleasant procedure works particularly unjustified when referring to the services of low-intensity, scope and content. Bearing in mind that the previous legal solutions predicted the determination of the obligations of relatives in the process that center for social work is leading, it would do well to consider the implementation of such a solution in the current legal framework. Registration of a mortgage on users immovable property as a way of ensuring settlement of service providing costs is one of intended solutions that is not widely applied in practice. Strengthening the competencies of professional workers in the social welfare centers would contribute to the implementation of this type of support to financing services. However, it seems that the inclusion of local governments in this process would give a more complete result. In fact, bearing in mind that the local governments are responsible for providing social welfare services, it would be expected that the administration of the municipalities are motivated for development of every external sources of financing, which would relieve local budget. So, if the local government authorities are interested in application of mortgage registration in securing financing of social protection services, then the acting of social welfare center as a service, whose founder is the municipality, will consequently proceed in this manner.

Social welfare centers often appear in the role of social service providers, and there is a strong tendency to continue with such a practice opposed to the current legal solution. On the one hand, the concentration of all efforts and activities of social protection center seems like a very good solution, primarily because of available technical capacity and continuous work with beneficiaries. On the other hand, in this way we are losing irreplaceable component of quality control services, control over their provision and thus over the use of public funds. The social welfare center within public authorizations assesses the needs of users, plans support and continue to monitor the effects. Therefore, social welfare center has unique competence to assess the effectiveness of the funds invested in the provision of services. In this way is unified representation of users interests in terms of meeting needs and the public interest in expediency of spending public funds. Any other approach to this type of control would require additional costs with very questionable effects. It would be more appropriate, in the absence of the capacity to provide services outside the public sector, to establish a special institution for the provision of services, as is the case in several municipalities. It is clear that the different circumstances in which the local governments are, causing various capacities for the establishment of social care institutions that would provide services. In this context, the application of the concept of inter-municipal

institutions and public-private partnerships, could compensate weaknesses of individual local governments.

It's hard to find a justification for maintaining the practice of funding the provision of services, at all levels of government, through concursos (open contests) intended for civil society organizations. This type of financing is forming an unstable and short-term service offer, because all contests are relating to the period of one year without a clear medium-term perspective. The consequence of such circumstances is collapsing of capacity due to the uncertainty faced by the service providers. Also, this makes financial analytics difficult, because the reports contain informations of budget funds wich were given to civil society organizations which, according to the content, far exceeds social protection services. Procurement of social protection services through the application of the public procurement law, appears to be a far more appropriate solution. Obstacle to procurement of social protection services by applying the public procurement law is a restriction that requires that services can be procured only from licensed providers. Basically it is a very reasonable principle, but the response of the service providers regarding licensing process is very small. The reason for the unsatisfactory response is unclear perspective of financing services. If funding of service providing gain characteristics of the medium certainty, it is reasonable to expect that the interest of organizations that provide services will be bigger. Decentralization of social protection is one of the reform directions on wich is necessary to be persistant because its stronghold is in a better understanding of user needs, specificities of the local environment and a more efficient operation. However, everything indicates that the model of social protection decentralization, which is applied in Serbia, has not met expectations. The issue of financing the part of social protection services under the jurisdiction of the local government, is still topical. By transferring these types of responsibilities to the local governments, funds that would be allocated to social protection in the local community are not simultaneously separated. In this way, the position of the user depends on the fiscal resources of local government and the local political context. Also by distributing responsibility for providing social protection services at different levels of public administration, local governments are motivated to develop services in the community because by that they are puting burden on local budget and unburden the central budget. On the other hand, complete centralization of providing social welfare services would alienate the support to citizens from their needs, risking unjustified investments and reduced efficiency. By transferring the responsibility for providing all services, including accommodation services, to local government, it would be achieved integral support based on specific needs in the community. At the same time, overall social protection financing at the local level through alocated transfers, whose height depends on the characteristics of the local environment, would achieve consistency and avoid inequality of citizens arising from differences in the fiscal potential of municipalities and local political context. In this way it would be achieved stability in the financing of social protection and avoided inconsistencies in the recruitment of public funds.

The transition process from the dominant residential care services to providing support in the community is a meaningful process that requires additional investment, whose amount would be wrong to ignore. In terms of the lack of economic stability, additional investments in social protection could endanger the tendency towards economic growth, therefore, pre-accession funds of the European Union represent a unique opportunity to strengthen the infrastructure that would enable the reform of the system. However there is a risk of inefficient fund investments from pre-accession funds, without first creating adequate preconditions. In fact, without a source of public policies that would lead to transition process plan, it is likely that the effects of the investments would be limited on the local isolated actions that would give limited results. The second requirement relates to the stability of social services funding. Investing in the transition process involves strengthening the capacities to deliver services in the community, which includes improving the competencies and re-appropriation and construction of infrastructure. These investments would be unjustified if the strengthened capacities are not engaged which can not happen without a stable financing of social services.

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