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# The impact of the external financing on the development of the social work system

Daniel ARPINTE<sup>\*</sup>, Adriana BABOI<sup>\*\*</sup>

### Abstract

The absorption capacity and contracting European funds are priority issues for analysis, for either the policy makers or academic environment. Increased interest for this lies in concerns about Romania's ability to access funding, based on estimates of specialists and the results obtained in the first phase of their launch. Without excluding the importance of amounts raised and spent, our focus is on how the funds are used in social services and their contribution to the development of social assistance. Absorption capacity is an issue we are interested in from the perspective of ensuring the continuity of already developed projects and the impact of organizational development in the area of social services providers. We will also analyze the specific factors of social services sector which may constitute obstacles to attracting structural funds and the implications of the distribution of resources in the absence of a viable strategy of social development: increasing disparities in coverage of services, maintaining an underdeveloped primary sector of social assistance or the weak relevance of services created with funding from the Structural Funds.

<u>Keywords</u>: financing social services; disadvantaged social groups; social inclusion; social services; structural funds.

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### Introduction

Compared to other elements of the social protection (retiring funds, medical services, etc), the funds for the social services consist in a diversity of resources, thing that implies a high degree of uncertainty in their granting. The main sources are the public funds (through the local and central budgets) and the external financing resources, the main weight being held by the European Funds. They assure, partially or totally, the financing of the projects in the social field. For the East-European states, the external financing (mainly European) is even more important, as the Social Work System needs resources both for the current functioning of the services and for the development of new ones. The greatest part of the East-European states have moved from systems of care and support being offered mainly in institutions with medical profile, to modern social services that focus on the social reinsertion of the beneficiaries. Romania represents a special case because of the great number of issues addressed by the social services, the most visible in media being the ones referring to the abandoned children and the disabled people. As well, the social groups affected by the troubled 1990 years add to those two categories and the literature refers mostly to families with more than two children, single parent families, families of unemployed, farmers, retired, homeless people and the Roma population. (Zamfir, Postill, Stan, 2001).

Even in the European states with tradition in the social care, the financing of the system is realized mainly from other sources than the public ones. We mention here the situation of Spain and Italy which belong to the South-European model, and the one of France or Germany. In their situation, the social care system was carried out traditionally by associations or by churches that developed social services for the under-privileged groups. For example, in Italy, the funds used in social services are mainly private. The appraisals show that, at the national level, 85% of the social services are offered by NGO's whose costs are covered in a percentage of 50% from the public budget (Weiss, Gal, Dixon, 2003). An important role in supporting the under-privileged persons remains up to the informal networks (relatives, community).

The massive implication of the State in financing and organizing the social care system is a characteristic of the northern European countries that provide a special attention to this sector. For example, in Finland (Arja, Mervi, 2000), the funds granted for the social care system rise up to 14% of the public budget. Only 13% of the social care system budget is assigned to expenditures for income security, the rest being used for the actual social services:

- 50% is allocated for children and families with children: day centers, home care, family allowances, allowances for children;

- 25% - for social services: domiciliary support, home care, residential institutions, income support for the elderly (15% of the Finland population is over 65 years of age);

- 14% - for the disabled people (who represent approximately 5% of the population);

- 11% - for fighting alcohol and drug abuse and for other services.

In Romania's case, the transfer from the institutional care or support, through bureaucratic-administrative mechanisms, to professionalized care services based on the fundamental principles of social care was not a simple process, without difficulties. Under the pressure of major social objectives (the reform of the Child Protection System, the improvement of the Roma population situation, the improvement of the support systems for disabled people), set up and put into practice with international support, a new generation of social services emerged, social services that became the basis of the reform of the Social Work System. The process of building this system, both public and private, has required considerable financial resources. It is difficult to make an evaluation of those resources because of lack of data about the financial resources granted to the Social Work System. The official data refer only to part of the benefits and services offered by the social care institutions. This is why in our study we don't intend to refer to the whole amount of money spent or necessary for the functioning of the social services or for the development of the Social Work System.

We will focus mainly on the pattern of assigning the funds and on the way in which the funds contribute to reaching the developmental targets of the Social Work System. The setting up of new services without taking into account the infrastructure of the social care services at the local level can have long term consequences on their sustainability. As an example, there are useful services at the community level, but they are highly specialized and have poor connections with the primary care services that can assure the long-term support for the clients. This explains the failure of some services, like the ones for the separated children in other countries and repatriated to Romania. Even if the appraisals showed a significant number of potential clients for the 14 centers set up in 2005, most of these centers have functioned under capacity or not at all. The same situation applies to the services for the protection of the victims of human trafficking and domestic violence. It is obvious that the kind of services mentioned above is necessary and they address some disturbing and acute social issues in our country. Their interconnection with a functional inter-institutional system that can ensure the necessary services for any client's needs remains still a problem. In the absence of this basic condition, this kind of services remains just very expensive experiments. The strain on the specialized structures of DGASPC's is another consequence of the lack of primary care services at the local level, mainly in rural areas, combined with the deficiencies of the inter-institutional connections (Cojocaru, 2007).

Also, in this study, we have focused on the relevance of the social services related to the needs of the clients of the social services (Cojocaru, 2003). The

competition imposed by the selection of the grants lead to the polarization of the providers for social services using criteria like *expertise* and *capacity of fund absorption*. The major risk in this situation is the perpetuation of the underdeveloped services in the communities having major social problems and poor opportunities of accessing resources for supporting social services. The paradox of the existence of underdeveloped social services in regions with serious social problems is not new. This is a characteristic that corroborates in comparative analysis of the national systems of social care (Buzducea, 2008). Another significant element is considered to be the way in which the axes and the key areas of intervention in which resources can be accessed were established. Even if The National Strategy of the Social Services Development is one of the documents at the basis of SOP HRD, none of the key areas of intervention meets explicitly the objectives of the Strategy.

Last but not least, the setting up of new services or their development using external funds raise the question of their sustainability after the completion of the pilot-project. Identifying alternative financial resources or the taking over of the services by social services providers that possess the capacity to ensure the financing of their daily functioning proved to be useful for carrying on the projects (in most of the cases, the non-governmental providers transferred the services to the public sector).

The development of new services is very unlikely in the absence of consistent financing, taking into account the PHARE funds experiences. The financing from public sources applies mainly to the specialized social services, because the Local Councils do not have the necessary resources for the development of primary care services. The non-governmental sector can access public funds only under limited conditions and mechanisms, based on the Law 34/1998. Also, they can beneficiate from redirecting 2% of the global tax to the NGO sector. Both measures had effects only at a symbolic level and cannot constitute a source for the sustainability of the services at the non-governmental level, because of the small amount of money.

#### Methodology

This article is based on two surveys: *The Map of Social Services in Romania* (The Research Institute for the Quality of Life - RIQL- 2004) and *The Capacity of the Institutions Acting in the Field of Social Inclusion to Absorb and Manage the Structural Funds* (RIQL, 2008).

Among the PHARE programs 2004 and 2005, two components were relevant for the second research: *The Economic and Social Cohesion* and the *Acceleration of Implementing the National Strategy for Improving the Roma Situation*. *The Map of Social Services in Romania* (RIQL, 2004) represents a diagnosis of the social services at the national level. Its objective consists in the accomplishment of a census of the social services providers in Romania by identifying:

- the services provided by public institutions and NGO's;
- the human resources mobilized;
- the directions of the development of the services.

The covered areas included the identification of the profile of the providers, the structure of the services, the human resources, their future plans (the development of new services) and a series of legislative proposals. In this study three types of questionnaires were used, depending on the specific of the institution to which it is addressed, such as:

- The Directorates for Dialogue, Family and Social Solidarity;

- Public Providers of Social Services: The Child Protection County Directorates, The Directorate of Social Work of the County Council, The Services for the reinsertion of the offenders and supervision of execution of noncustodial sanctions, The Centres for the Drug Counseling and Prevention under the National Anti-Drug Agency, the Department of Public Health, and the Local Councils, both from rural and urban areas;

- The NGO's.

We received back 2727 questionnaires (90, 85% of all the locations), with a total of 276 questionnaires from urban areas and 2451 questionnaires from rural areas. At the level of the counties, Bucharest being an exception, we used in our study the data received from the County Directorates of Social Work and Child Protection Directorates, according to the institutional organization of 2004). From the NGO's acting in the field of social services we have received a total of 441 questionnaires.

The second survey completed in 2008, aimed at identifying "The Capacity of Institutions Acting in the Social Inclusion Field to Absorb and Manage the Structural Funds". We have used both quantitative and qualitative methods: document analysis (reports, evaluations, documentation of the programs), individual semi-structured interviews with the developers, questionnaires. The quantitative data were collected from all the promoters who implemented PHARE projects 2004 and 2005 in the field of social inclusion, according to data from the contracting authority.

The questionnaire we have used was structured on three modules:

- The profile of the promoting organization (name, the year of its appearance, the type of the organization, the human resources and their education, the budget for the past three years);

- Information on implemented projects (objectives, activities, beneficiaries, duration, budget, types of services, partnerships);

- Structural Funds (sources of information on Structural Funds, strengths and weak points of the organization regarding the possibility of accessing Structural Funds, the intention to apply for those funds).

Data collection was conducted during June-December 2008 by field operators. Of the 409 promoters identified, 254 have answered the questionnaire.

*Table 1: The distribution of the questionnaires and the responses per development regions.* 

NUTS-I	Macroregion 1		Macroregion 2		Macroregion 3		Macroregion 4	
NUTS-II (regions)	North-West	Central part of the Country	North-East	South-East	South	Bucharest- Ilfov	South- West	West
NUTS-III	Bihor	Alba	Bacău	Brăila	Argeş	Bucharest	Dolj	Arad
(counties)	Bistrița- Năsăud Cluj Maramureș Satu-Mare Sălaj	Braşov Covasna Harghita Mureş Sibiu	Botoșani Iași Neamț Suceava Vaslui	Buzău Constanța Galați Tulcea Vrancea	Călărași Dâmbovița Giurgiu Ialomița Prahova Teleorman	Ilfov	Gorj Mehedinți Olt Vâlcea	Caraş- Severin Hunedoara Timiş
Number of promoters	51	58	82	54	45	33	43	43
Responses	25	41	50	37	36	27	17	21

Source: RIQL database, 2008

Among the promoters who responded to the questionnaire, 32% are public organizations, 38% are business companies and 30% are non-profit organizations. Among the non-profit organizations, 42% (32 cases) had strategic partnerships with national or international NGO's in the last three years, during which they have received support (technical assistance – 24 cases – and financial support – 6 cases). Of the total number of the respondent promoters, 53% had undertaken projects in other than social services, 8% had developed at least one project in the social field and 37 % only in the field of social services.

### Characteristics of the Funding of the Social Work System

The external funding has played a major role in the development of a modern Social Work System through the development of advanced services. For the nongovernmental sector, the external funds have provided the largest share of the budgets, the public budget offering almost no opportunities for development. Law 34/1998, the most important tool, remained just a pilot-intervention taking into account the small amounts of money granted. The funding under the law 34/ 1998 was rarely granted from the local budgets. The funds had been granted from the state budget only if the NGO acts in more than two counties and the amounts of money have covered only the smallest share of the costs of the financed organizations. In 2004, 69 NGO's were supported with almost 1 million Euro, which represented approximately 10% of the annual budget of those organizations (Lambru, Mărginean, 2004).

The impact of this law in the area of social services development has been minimal, since the amount of money is granted solely for the allowances/income support under the existing services. In these circumstances, the external funds represented the main source of funding for the current services and of investment in new services. At the same time, the competition mechanisms at the basis of the distribution of the resources have led to the reinforcement of the expertise within the areas where there are prestigious university centres and well-known faculties of social sciences. Thus, according to a study of the programs developed for the roma communities (Cace, Duminică, Preda, 2006), the counties of Sălaj, Tulcea, Dâmbovița, Constanța, Galați are under-represented in the distribution of the resources financing projects in the social field, while Bucharest, Iași, Timișoara or Cluj draw significant resources.

Therefore, the greatest part of the organizations depends on external funding. Only a limited number of organizations have medium or long-term strategic partnerships with institutions or international organizations able to ensure a share of the current expenditures (administrative costs, wages). This category includes the religious organizations with permanent funding from individuals or private legal entities or the affiliates of international organizations. But the vast majority of the organizations depend on external grants, and this circumstance forces them to provide services in the form of projects, not programs. Ensuring the sustainability and the continuity of services becomes difficult when the external funding stops and most often the projects are transferred to public institutions or maintained in partnership with local authorities or public services providers. According to RIQL (The Map of Social Services in Romania, 2004), in the NGO's, the trend used to be to develop new services in partnership with either a public institution, or with another NGO. Out of the 275 NGO's that responded to the question: "Do you intend to develop social services in the near future (1-2 years)?", 241 NGO's already providing social services indicated that they will implement in the next period 522 new projects, out of which only 32% with their own resources. The 34 organizations which did not provided social services at the time of data collection intended to develop 67 projects/programs out of which only 4 on their own (representing 6%).

In the case of the public sector, the lack of clear rules and regulations regarding the financing of the social services at the local level affects mainly the localities with low or no resources, especially in rural areas.

In these areas, the existence of a large number of potential clients of the social services is doubled by the under-financing that characterizes the poor areas affected by serious social problems. The source of this paradox was identified to be the decentralization of the services to counties, without a differentiated distribution of the resources according to the degree of difficulty of the problems in the areas with increased social risk. This creates imbalances in the supply and demand of services. Even if the local public authority law stipulates that "the financial resources of local authorities should be proportional to the competencies and the responsibilities stipulated by the law", the central governmental authorities rather reversed this ratio. The permanent transfer of responsibilities and duties to the local authorities was rarely accompanied by the allocation of the necessary resources. Moreover, the most important legislative proposal of the local authorities (the database of RIQL, "Map of Social Services in Romania", 2004) refers to providing financial resources from the state budget to local authorities for the creation and functioning of social services (30% of the total respondent Local Councils). The funds allocation by transfer from the state budget was proposed by 33% of the local councils in urban areas and by 29% in rural areas.

Therefore, the solutions more often indicated by the non-governmental sector to ensure the sustainability of the developed services refer to the transfer of the services to the public sector or the establishment of partnerships that allow their co-financing. In the situation of the public sector, the development of services, especially the primary care services, should be realized mainly with funds from the state budget.

## **Factors Blocking Access to the Funds**

The most important issues identified in the social services providers' case, in terms of their ability to initiate and implement projects financed by Structural Funds, refer to:

- the shortage/absence of the qualified human resources required to draft the applications or to train the project teams
- the lack of the necessary financial resources for the co-financing or the coverage of ineligible costs.

In the situation of the NGO's, the issue of additional funding granted for a project became more problematic in the past few years with the tightening of conditions for grant funding and their significant reduction. This way, the stability of the organizations providing social services is significantly affected. The recovery of the VAT, favouring the implementing organization, was allowed only by a small number of financers. Under these circumstances, it was impossible to establish some "reserve funds" to cover unexpected costs or those costs not

accepted by the financers. Also, most often, the funding was conditioned by the provision of money from the promoter, usually between 10-20% of the grant, difficult to be covered by any organization that depends on external funding. The European Structural Funds impose the same restrictions. The only difference is that the amount established as the contribution of the promoter is significantly lower:

- 2% of the total eligible costs if the applicant is a public institution or an NGO;

- 5% of the total eligible costs if the applicant is a company;

- 25% of the total eligible costs if the applicant is the National Agency for Employment or other institutions subordinated to the National Agency for Employment that submit a project under Priority Axis 4.

Even if the contribution of the provider is significantly lower, the compulsoriness of advancing huge amounts of money for expenditures and the total budgets significantly higher than the previous financing lines generate important hurdles that can discourage accessing the funds or cause difficulties in the implementation of the projects. Among the promoter organizations that have implemented projects solely in social services, 41% have indicated as a weak point the insufficient funds, compared to 29% of the NGO's that have also implemented other projects than those in social services and to 30% of the NGO's that have implemented projects exclusively in other areas than social services. The specific of the activities offered by the social services providers leave very few opportunities to create a budgetary reserve to ensure the contribution of the organization or the ineligible costs. In this perspective, we estimate an increase of the difficulties regarding the Structural Funds, taking into account the total amounts of money granted for a project. Recent studies (Dabrowski, 2008) point out the burden of co-financing and additional costs destined to the project management, which explains the caution and circumspection of potential applicants to the Structural Funds. The degree of complexity of the procedures determines the applicants to draw upon the expertise of specialist consultants. This procedure is expensive and the massive call for consultants may lead to corruption, because many of them are simultaneously involved in the selection of the projects (Dabrowski, 2008, 235). Thus, there is a risk that the complex procedures put in place will encourage the corruption instead of stopping it. Another major difficulty is represented by the limitation that the management team of the project must include solely personnel employed by the main applicant organization (employed at least for the period of the project implementation). In the same way, the management team of the project must include at least a project manager, an accountant and a legal advisor. These conditions may be restrictive, especially if we take into account that one third of the NGO's answered that the weak point in accessing the structural funds is the lack of experience and the scarcity of trained staff or its turnover. The most affected are the organizations that have implemented one or more projects in the field of social services.

	Sector	The lack of experience for structural funds and/or trained personnel	The turnover/scarcity of the personnel
Promotors having developed	public	17%	11%
projects in other fields than the	private	62%	59%
social services	non-profit	21%	30%
Promotors having developed at	public	38%	71%
least one project in the field of	private	-	-
social services	non-profit	63%	29%
Promotors having developed	public	66%	54%
projects solely in the field of social	privat	-	-
services	non-profit	34%	46%

*Table no. 2: The difficulties encountered by the promoters in the human resources field (multiple choice questions)* 

Source: RIQL database, 2008

For the NGO's working in the field of social services, another problem is represented by keeping the employed staff during periods in which the organization is not receiving sufficient funding to cover the wage costs. The withdrawal of the significant external financers for the social field overlapped with the retrenchment of PHARE funds for this field. This meant, for the non-governmental sector, the diminution of the activity and the waiving of specialized personnel. During this period of time, the hirings in the non-governmental sector was rather an exception. The consequences of the reduction of job offers for the social services providers were the loss of experienced employees and the decrease of the attractiveness of this field, because of the difficulties encountered in ensuring the payment of decent wages. The situation is especially worrying as the staff involved in project writing is, according to RIQL database 2008, employed by the provider of the social services in over 90% of the cases, as compared to 78% for public institutions and 70% for the NGO's that have not implemented projects in the field of social services. This difference comes as a consequence of the complexity of the projects in the social field and requires a high degree of expertise in assessing the situation of disadvantaged groups and in suggesting solutions. Moreover, the job offer in social services, a field highly appreciated for its attractiveness in the past years, has not met the upward trend expected to come together with the implementation of the European Structural Funds.

The main effect of these factors is the reduction of the number of eligible organizations having the capacity to meet the conditions imposed for accessing European Funds. Only the organizations with strong and appropriate expertise will become main applicants or partners in such projects. The main disadvantage is represented by the fact that the access to services will depend more on the absorption capacity of the providers in their area than on the clients' needs. We expect to see an increase of the imbalances at regional level. The basic principle that stipulates "equal access and opportunities to social services" will depend on those who rule the competition.

It is noted, however, that in the public sector the number of the promoters who mentioned difficulties in the area of human resources is greater than in the nongovernmental sector. This can be explained by the fact that the implementation of the projects with European funding implies attracting qualified personnel, but this is something difficult to achieve, due to the fact that the wages in the public sector are restrictive. Also, the remuneration for the staff of the public institutions involved in projects financed through European funds is subject to very discouraging rules. Thus, it becomes difficult to attract specialists, especially in areas that require allocating additional resources to motivate them. We refer here to rural areas or the urban ones located far away from university centers where the specialists in social services are trained. RIQL 2004 survey data confirm that the areas in which social services were created that require highly specialized skills overlap with those in which you can find a greater number of specialists both relative to the total number of employees in social services and the number of jobs for the personnel with a higher education. It's not a coincidence that being located near an university centre which offers training in social field increases the specialized job offer and facilitates the absorption of graduates into the labour market. Meanwhile, the external financing has contributed to the preservation and even the development of the qualified human resources, through adopting the minimum standards imposed by the financers. A well-known practice of the financers in the social field consists in conditioning the funding by the presence of the specialists in the project team in accordance to the proposed activities. Thus, the Local Councils that have social services co-financed from extra-budgetary resources (particularly funds gathered from traditional financers) hold a higher number of specialists than the Local Councils that offer similar services, but financed exclusively from the local budget.

Under these conditions, we can surely reaffirm that the external funds granted during the pre-adhesion period both for the non-governmental and the public institutions aimed mainly to the development of services and to their support. The development of the organizational capacity was rather a form of impact than a clearly outlined objective.

# Difficulties and proposals of the promoters regarding the relationship with the contracting authorities

The problems identified and listed above, referring to the relevance of the intervention areas related to the main risk groups in social work field, and the risk of increasing the regional disparities are doubled by the difficulties encountered by the promoters in their relationship with the contracting authority. The most common problems mentioned by the promoters who have implemented PHARE projects in social services field are the delays in advancing the funds, the cumbersome procedures and the difficulties encountered in the technical and/or financial reporting to the financer.

One of the most important elements in implementing a project is the financing. Any delay in advancing the funds to the promoters has a negative impact in the execution of the project. Among the promoters that have developed projects in the field of social services, 61% said that the transfers of the funds from the contracting authority were made under contract, within the deadlines, 18% received the money entirely, but with delays, 13% received the money entirely, but with significant delays and 6% have received the money partially, at the completion of the financing contract. (RIQL, 2008). Some of the most important consequences of these delays were the postponement of the projects' start, delaying the activities and the late payment of the wages. The majority of the promoters have overcome these difficulties with the help of the local budget/their own budget or loans. A much smaller number had permanent communication with the managing authority or by rescheduling the activities of the project.

The slow and cumbersome reporting mechanisms have affected almost half of the social services promoters. 54% of the respondents "totally agreed" with the assessment that the application guides were clear and only 34% of them "totally agreed" that the forms for the reporting were clear. Nearly 60% of the promoters expressed the "total" or "partial disagreement" on the keenness of the responses given by the contracting authority to their questions and concerns (RIQL, 2008). The promoters have made a series of suggestions in order to improve the relationship with the contracting authority:

- the elaboration of clear rules concerning the procedures for implementation (50%);

- the simplification of the reporting methodology and bureaucracy (33%);

- more support from the contracting authority (24%);
- the improvement of the communication (23%);
- timely payment of the funds (18%);
- monitoring by experts (14%);
- more freedom and decision power for the promoters (11%).

# The role of the European social fund in the development of the social work system

The European Social Fund will finance, in Romania, two operational programs: *The Sectorial Operational Programme for Human Resources Development (SOP HRD)*, with a financial support of 3,476 million Euros, and the *Operational Programme for the Development of the Administrative Capacity*, with a financial support of 208 million Euro. Under the SOP HRD, two categories of projects will be financed: strategic projects and grants.

SOP HRD	Level of	The total amount of	The duration	
	implementation	money of the project		
Strategic projects	National level, Sectoral level or multiregional level	1.850.000-18.500.000 RON	6 months – 3 years	
Grants	Multiregional level, regional level or local level	185.000-1.849.000 RON	6 months – 2 years	

Table no. 3: The amounts of money allocated for the SOP HRD projects.

Source: www.fseromania.ro

The Sectorial Operational Programme Human Resources Development (SOP HRD) establishes priority axes and key areas of intervention for Romania in the field of human resources, in order to implement the financial assistance of the European Union through the European Social Fund, under the Convergence objective for the period 2007-2013. The overall objective of SOP HRD is "the human resources development and the increasing of its competitiveness by linking education and lifelong learning to the labour market and ensuring an increased participation on a modern, flexible and inclusive labour market for 1.650.000 people" (www.fseromania.ro). SOP HRD finances seven priority axes, each of which is, in turn, divided into several key areas of intervention (see table 4).

By concentrating the key areas of intervention, the European Structural Fund is not targeted directly at the Social Work System, but it contributes, through the financial support granted to the service providers or through its addressability, to the creation of advanced services for disadvantaged groups. Under these circumstances, the imbalances in the development of services at the regional level mentioned above will continue to exacerbate. Even if the mechanism of competition has encouraged the creation of advanced services and the building-up of a body of professionals specialized in attracting funds and managing the financial resources, it had also some negative effects that can be felt in regional disparities and in the poor development of primary care services.

Axis	Axis Name	Key areas of interventions		
1	Education and training	1.1 Access to quality education and initial Vocational Education and Training		
	in support for growth	1.2 Quality in higher education;		
	and development of a	1.3 Human resources development in education and training		
	knowledge based	1.4 Quality in Continuous Vocaional Training		
	society	1.5 Doctoral and post-doctoral programmes in support of research		
2 Linking lifelong		2.1.Transition from school to active life		
	learning and labour	2.2. Preventing and correcting early school leaving (drop-out)		
	market	2.3. Access and participation in Continuous Vocational Training		
3	Increasing adaptability	3.1.Promoting Entrepreneurial Culture		
	of workers and	3.2. Training and Support for enterprises and employees in order to promote		
	enterprises	adaptability"		
		3.3.Development of partnerships and encouraging initiatives for social partners and		
		civil society"		
4	Modernization of	4.1.Strengthening the Public Employment Service capacity to provide employment		
	Public Employment	services		
	Service (PES)	4.2. Training of Public Employment Service staff		
5	Promoting active	5.1.Developing and implementing active employment measures		
	employment measures	5.2. Promoting long - term sustainability of rural areas in terms of human resources		
		development and employment		
6	Promoting Social	6.1. Developing social economy		
	Inclusion	6.2. Improving access and participation of vulnerable groups on the labour market		
		6.3. Promoting equal opportunities on the labour market		
		6.4. Trans-national initiatives on the inclusive labour market		
7	Technical Assistance	7.1.Support for SOP HRD implementation, overall management and evaluation		
		7.2.Support for SOP HRD promotion and communication		

Table 4: Priority axes and key areas of intervention of the SOP HRD

Source: www.fseromania.ro

The main risk implied by this approach is the reduction of the sustainability and effectiveness of the existing services because of the fragmentary approach of the issues that should be addressed by the Social Work System. It also creates a series of territorial inequities due to unbalanced distribution of services. Our assumption is that those negative effects will be exacerbated by the European Structural Fund destined to the social inclusion. The priority axes relevant for the social services are based on a number of strategic documents for the social services, the most important among them being the National Strategy for the Development of Social Services. Another major risk is represented by the local coordination of the social services providers. The lack of an unified coordination system between the social services and the fact that there is no centralized evidence of the clients of the social services means not just an overlapping, but also the risk of exclusion for the eligible providers because of the repetitive procedures to access the benefits or the needed services offered by different providers. Also, the lack of coordination between the service providers leads to the failure of the intervention in some complex situations, for example the cases of the separated children (Arpinte, 2006) or those of the young people leaving the child protection system (Sirghie, 2008).

We debated, in the current section of this paper, the basic issues of the role of the European funds in the building-up of the Social Work System. In the next part, we will examine the characteristics of the social service providers which have accessed pre-adhesion funds and their intentions to apply for the structural funds.

# The intentions of the social services providers to apply for European structural funds

Our analysis does not necessarily include the most representative service providers. It includes only those who have accessed PHARE funding lines 2004 and 2005 for projects in the field of social inclusion. Out of the total respondent promoters, 114 (45%) have undertaken projects in the field of social inclusion. Among them, 21 have conducted at least one project in the field of social services and 93 have conducted projects solely in this field. The promoters that have undertaken projects in the field of the social services are mainly public organizations (County Councils, Local Councils, Child Protection County Directorates) and non-profit organizations (associations, foundations). The main sources of information on the promoters regarding the structural funds are the dedicated websites (109 of them), the communication channels of the national institutions (41), national mass-media (34), the European Commission representation in Romania (18) and the direct European network (14).

The previous experience of the organizations in writing projects and in attracting external funds plays a major role in accessing the structural funds. This idea is backed up by the answers that the promoters have given to the question: "On a scale of 1 to 10 (1 being minimum, 10 being maximum), how useful was the experience gained from PHARE projects in accessing structural funds?". 32% of them appreciated it with a "10", 26% with a "9", 30% with an "8" and 6% with a "7" (the percentages for 1 to 6 are below 2%). *Experience* is ranked first in the hierarchy of strengths of the organization to access the structural funds, followed by *the human resources* (personnel qualification), *partnership agreements, infrastructure* and *its adaptability and flexibility*.

Regarding the weak points, the promoters mentioned: *the insufficient funding*, *the lack of experience, the lack of qualified staff, the staff turnover, the lack of infrastructure, the lack of their available time.* 

Strengths		Weaknesses		
Experience	69%	Scarce cash flow	36%	
Qualified personnel, available human resources	61%	The lack of experience and the lack of qualified personnel	32%	
Partnerships/ Infrastructure	46%	The turnover of the personnel, the shortage of personnel	31%	
Adaptability, flexibility, seriousness	29%	The lack of own infrastructure	13%	
Eligibility	19%	Not enough time	11%	
		Uncertain status/ uncertain eligibility	7%	
		The deficiencies in the process communication (bureaucracy)	4%	
		The organization does not have weaknesses	3%	

Table no. 5: The strengths and weaknesses of the social field promoters in accessing the structural funds (multiple choice questions).

Each respondent was asked to write down 3 strengths and 3 weaknesses Source: RIQL database, 2008

Regarding the intentions of the promoters to apply for structural funds, 87% of them said that they have already applied for them or intend to do so (as a promoter or as a main partner), 15% were undecided at the time of the research, and only 4% did not intend to apply. Among the promoters interested to apply for Structural Funds, 67% already have, in their organization; a person specialized and with responsibilities in preparing/writing the request for funding, and 4% intends to hire someone. Among the respondents who have already applied for such funds, 65% managed to write the required documentation within their organization and 15% asked for the external support of a consultant. As regards the external grants that the promoters developed during the years 2005, 2006, 2007 (the PHARE 2004 and 2005 projects are not included), the main funding sources were the European Commission (PHARE - 77 projects, ISPA - 4, Sapard - 7), the World Bank - 13 projects, UNICEF - 5 projects, Netherlands Foundations - 7 projects.

#### Conclusions

The Structural European Funds, considered to be the "breathing tube" of the social services providers, mainly for the NGO's, represent an important tool as long as they provide forms of impact on the groups of targeted beneficiaries. From the perspective of the development of the National Social Work System, their influence is rather unintentional, focusing poorly on the major issues and difficulties. The setting up of some services, the increased number of beneficiaries,

and the grants for the field of social inclusion are results that cannot generate an increased consistency and sustainability of the system. Out of the total projects financed through SOP HRD, 1 % of the amount of money contracted until April 30th, 2009, are destined to the development priorities of the Social Work System (the total amount allocated is 15 thousand million RON).

The most relevant project, funded with 2.73 million RON, aims at the creation of a caravan for the training of the social workers in rural areas. Other projects aim either at the establishment of specialized services for the assistance and support of disadvantaged groups (up to a maximum of 5% of the total funding) or propose interventions having an indirect impact on the disadvantaged groups.

Given the way in which the financing lines were defined, the declared priorities and the fields of intervention, it is expected that the national social work system will benefit from direct support to a negligible extent. The previous experience in implementing PHARE programs, at least from the perspective of the impact on the social work system and from the perspective of the sustainability of the created services, is ignored once again.

The lack of dedicated funding lines, the lack of national programs to address the most important priorities and development needs of the system will maintain and even increase the difficulties mentioned in the strategy of the development of social services.

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