Union Government Financing for Child Protection through Child Protection Services (CPS) Scheme

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Union Government Financing for Child Protection through Child Protection Services (CPS) Scheme

Introduction

India is home to the largest number of children in the world, constituting approximately 40 per cent of the country's population (Saini, 2013). Investing to ensure protection of child rights and child welfare, apart from a moral imperative, is also supported by economic rationales—taking either the narrow outlook of economic growth or a broader perspective development that builds towards a more equitable society (Jha et al., 2019). An analysis of the budgets of the Union government and state governments in India in 2019, found a high correlation between per-child expenditure and comprehensive wellbeing of children, measured based on an index on child and adolescent development (Jha et al., 2019). This suggests that spending more on child development can have a direct impact on children's overall well-being. Moreover, a comparison between states showed that irrespective of the fiscal capacity of states, prioritising children in the budget allocation can lead to significant improvements in child development.

In India, at the Union government level, most of the schemes related to protection of children are implemented by the Ministry of Women and Child Development (MWCD). Yet, as the Working Group on Development of Children for the Eleventh Five Year Plan (2007-2012) (MWCD, 2010) noted, the Government of India’s (GoI) five-year plans in the past, failed to give due importance to overall welfare of children. Funds for welfare of children are neither allocated adequately nor utilised fully. Budget allocations during 11th Five Year Plan for children’s programmes saw some increase from 2.4 per cent of the Union Budget during 2000 to 2005, to 4.9 per cent during 2007 to 2011, and 4.1 per cent during the final year of the plan. However, these allocations were still not optimal, and the share of children related budget declined again in the following years. In addition to being low, these allocations have also failed to keep pace with demands by the concerned Union government ministries. In fact, in 2020, the Parliamentary Standing Committee on Demands for Grants by the MWCD, noted an urgent need to bridge the gap between projected demand, and the actual allocation to the MWCD. As it noted, this gap and the low allocations were compromising the ability to ensure that all eligible children are covered effectively. More worryingly, the report also pointed to the high degree of under-utilisation of even the funds allocated to welfare schemes targeting children. This, it stated, was either because financial prudence was not being exercised when seeking budget allocation, or a gap in planning, implementation, and monitoring of schemes.

The direct and indirect impact of the COVID-19 pandemic and the consequent global economic slowdown is likely to have an adverse effect on implementation of current government programmes. It further threatens to undo decades of work even in areas such as education, immunisation, and child labour and derail progress towards the Sustainable Development Goals (SDGs). Certain categories of children are at a higher risk of being impacted than others. This includes girls, children of migrant labourers, homeless children, those below the poverty line, street-connected children, children in contact with law, institutionalised children,

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children with disabilities, and those at the margins such as Dalit and Tribal children (UN, 2020). Even as large parts of government budgets and efforts are directed towards fighting the health crisis, it is important to ensure that children are not overlooked. Critical during this time is going to be ensuring that sufficient resources are provided for the protection to children in precarious positions and ensuring that the existing resources are utilised effectively. While there are several schemes that have a role to play on child welfare, one important and often overlooked scheme, responsible for ensuring preventive and protective care and rehabilitation services to any child in vulnerable situations, is the Centrally Sponsored Scheme (CSS) called Child Protection Services (CPS). This brief aims to study the status of implementation of CPS scheme prior to the pandemic with a focus on the possible impact of COVID-19 on child protection and welfare.

The brief is structured as follows. Section 1 looks specifically at CPS scheme including an analysis of budgets and some key issues related to fund flows and implementation, prior to the pandemic. This is followed by a section on the repercussions of the pandemic on five key areas namely, child labour, education, child marriage, nutrition, and violence against children. We also provide a perspective on the performance of CPS during the COVID period. The last section provides few broad policy recommendations in terms of financing for child protection in general, and CPS scheme in particular.

Section 1: Child Protection Services (CPS) Scheme

The Juvenile Justice (Care and Protection of Children) Act, first enacted in the year 2000, and then amended in 2015 and again in 2018, was an important step towards juvenile justice in India. The Act emphasised on rehabilitation and reintegration of children through various non-institutional and institutional measures, while giving utmost importance to the role of family care in the development of children. Launched in 2009, the CPS, earlier known as the ‘Integrated Child Protection Scheme’ (ICPS), is instrumental in implementing different provisions of the JJ Act. Aimed at providing preventive and protective care and rehabilitation services to any child in vulnerable situation that may lead to abuse, neglect, exploitation, abandonment and separation from families, the scheme includes both children in conflict with law, and those who come in contact with law either as a victim or as a witness, as defined under the JJ Act.

At present, the CPS scheme is a sub-scheme under the Umbrella ICDS (Integrated Child Development Services) scheme and is implemented by the MWCD. The primary responsibility of execution of the scheme, however, lies with the states and Union Territories (UTs), either by themselves or through collaboration with Non-Government Organisations (NGOs). Broadly, there are three types of services provided under the scheme.

- **Institutional care**: Institutional care is provided to vulnerable children through Child Care Institutes (CCIs), as a rehabilitative measure. The programmes and activities in CCIs include age-appropriate education, access to vocational training, recreation, health care, counselling etc. These CCIs include Open Shelters, Children Homes, and Specialised Adoption Agencies (SAAs).

- **Family based non-institutional care**: The JJ Act provides for the rehabilitation and reintegration of children with families through sponsorship, foster-care, and adoption.

- **After-care services**: The “after care” services are supposed to be provided to children in 18 to 21 years age-group, to help them during the transition from institutional care to independent life.

- **Emergency outreach service through Childline**: The ‘Childline’ is a 24 hour emergency phone outreach service for children in need of care and protection linking them to emergency and long term care and rehabilitation services.
A. Beneficiaries of Institutional Care under CPS Scheme

Beneficiary data is only available for the institutional care component of the scheme. As of February 2020, care and rehabilitation services were provided through 1,173 Children Homes, 352 SAAs and 259 Open Shelters across the country. Among all the states in India, Tamil Nadu had the maximum number of CCIs (218), followed by West Bengal (131). Combining all CCIs, around 66,000 children across all states availed institutional care under the scheme.

Overall, majority of the beneficiaries were in Children Homes (84 per cent), followed by 10 per cent in Open Shelters, and 5 per cent in the SAAs (refer Figure 1). In every state more than two-thirds of the CPS beneficiaries under institutional care, were in Children Homes, where children are mostly sent when they cannot be re-integrated with their families and have nowhere else to go. Among 20 large states, while the share of beneficiaries in Children Homes was highest in Tamil Nadu (96 per cent), it was one of the lowest in Karnataka and Kerala at 68 per cent each.

![Figure 1: Distribution of Beneficiaries under CPS Institutional Care across CCIs, February 2020](https://pqars.nic.in/annex/251/AU3025.docx)

Source: Rajya Sabha Unstarred Question No. 3025 dated 19 March 2020. Available online at: https://pqars.nic.in/annex/251/AU3025.docx

B. Implementation Architecture and Fund-Flow Process

To ensure effective service delivery and fund flow under the CPS scheme, implementation at the state government level rests with an autonomous registered society known as the State Child Protection Society (SCPS). The sanctioned funds under the scheme are transferred to the SCPS account from the state treasury, and SCPS further transfers funds to the other units. To support Central Adoption Resource Authority (CARA) in promoting and regulating adoption, CPS provides for establishing of a State Adoption Resource Agency (SARA) to coordinate, monitor and develop the work of adoption.

There are five key district level bodies or committees responsible for administration, monitoring and implementation of different aspects of the scheme. These are:

- District Child Protection Unit (DCPU),
- Child Welfare Committee (CWC),
- District Child Protection Committee (DCPC),
Juvenile Justice Board (JJB), and
Sponsorship and Foster Care Approval Committee (SFCAC).

To ensure compliance to the legal mandates of the JJ Act, the Police department and the district administration (Magistrate and Sub-Magistrate) play active roles in the childcare and rehabilitation processes through regular coordination with DCPU, JJB and CWC. Apart from these implementing bodies, institutional care is implemented though the CCIs, both government-run and NGO-run.

**Fund-Sharing pattern**

Funding for CPS scheme is shared between GoI, state governments and NGOs. The cost sharing ratio differs across different components under the scheme (refer Table 1)

<table>
<thead>
<tr>
<th>8 states in the North East Region (NER) and 3 Himalayan states</th>
<th>All other states</th>
</tr>
</thead>
<tbody>
<tr>
<td>All components managed by government: <strong>GoI: State = 90:10</strong></td>
<td>For SCPS, SARA and DCPU: <strong>GoI: State = 75:25</strong></td>
</tr>
<tr>
<td>All components managed by NGO participation, including CCIs: <strong>GoI: NGO = 90:10</strong></td>
<td>JJBs and CWCS: <strong>GoI: State = 35:65</strong></td>
</tr>
<tr>
<td>Government-run Homes and SAAs: <strong>GoI: State = 75:25</strong></td>
<td>Government-run Children Homes and SAAs: <strong>GoI: State: NGO = 75:15:10</strong></td>
</tr>
<tr>
<td>NGO-run Children Homes and SAAs: <strong>GoI: State: NGO = 75:15:10</strong></td>
<td>For NGO-run Open shelters: <strong>GoI: NGO = 90:10</strong></td>
</tr>
</tbody>
</table>

Source: CPS Scheme Guidelines. Available online at: https://wcd.nic.in/sites/default/files/revised%20ICPS%20scheme.pdf

**Fund-Flow Process**

Budgets for CPS are approved based on annual financial proposals submitted by individual state governments to the Project Approval Board (PAB) under MWCD. The central share of total approved budget for a state is released by MWCD in two or more instalments throughout the year. During the first quarter of the financial year an ad-hoc amount equivalent to 25 to 30 per cent of previous year's expenditure is released by GoI to the state treasury. Accordingly, the relevant state department implementing the scheme, contributes its share to the treasury. The aggregated funds for CPS are then transferred to the State Child Protection Society (SCPS), who releases the funds to District Child Protection Units (DCPUs), and other implementing bodies, depending on the administrative process followed in the specific states.

Fund-flow process to the CCIs differs across states. In some states such as Rajasthan, Uttar Pradesh, Kerala, Tamil Nadu etc., funds are transferred to CCIs directly from SCPS. In other states, ICPS funds are first released to the DCPUs, and thereafter DCPU transfers the money to the CCIs. This is true for both government-run and NGO-run CCIs. The administrative reporting and fund-flow process of the scheme is presented in Annexure Figure A.

The next section looks a little into the performance of the scheme even prior to the pandemic with a view to highlight some of the key issues with respect to CPS.
C. Low Allocations for CPS Scheme

Over the years, GoI allocations for CPS have remained low in terms of the total quantum of funds allocated, as well, as a share of total MWCD allocations. Between FY 2014-15 and FY 2017-18, proportion of CPS in total MWCD allocations was in the range of 2 to 3 per cent, and nominal allocations for CPS grew by an average of 16 per cent per annum. Recent years however have seen some increase. Allocations increased by 43 per cent between FY 2017-18 and FY 2018-19, and then by 46 per cent between FY 2018-19 and FY 2019-20 Revised Estimates (Res). Consequently, the share of CPS in total WCD allocations increased to 5 per cent in FY 2019-20 RE. In FY 2020-21 Union budget, ₹1,500 crore was allocated to the scheme. Even though, this was 11 per cent higher compared to the REs of FY 2019-20, it was the same as the amount allocated in FY 2019-20 BE (refer Figure 2).

Figure 2: GoI Allocations for MWCD and CPS Scheme

Note: Figures are Revised Estimates (REs), except for FY 2020-21 which are Budget Estimates (BEs).

D. Share of CPS Budget Released to States Has Been Declining

Of the total budget released under the scheme, while a certain proportion is spent centrally, the rest is released to the states as central share under the scheme. For instance, in FY 2019-20 while 99 per cent of total CPS budget was released as a whole, the share for states was 79 per cent. Over the past few years, proportion of funds released to states as a share of total GoI allocations have been declining. In FY 2014-15, 88 per cent of GoI allocations were released to the states. This increased significantly in FY 2015-16, when more funds were released than allocated. Since then, release of funds has not kept pace with GoI allocations. In FY 2017-18 and FY 2018-19, share of funds released were 81 per cent and 79 per cent, respectively (refer Figure 3).

During FY 2019-20, release of CPS funds to states in absolute terms declined by 5 per cent to ₹694.7 crore from ₹ 734.5 crore in FY 2018-19. As a result, on account of a relatively higher GoI allocation for the scheme in FY 2019-20 RE, release as a share of allocations went down considerably to 51 per cent. Clearly, the 46 per cent increase in allocations for FY 2019-20, did not actually reach the states as only half were released.
E. Delay in Release of Allocated Funds by GoI

Low release to states aside, overall, the pace of release of CPS funds by GoI has been slow with a considerable proportion of budget being released only during the last 2 to 3 months of a financial year (refer Figure 4). For instance, in FY 2016-17, GoI released 41 per cent of its allocated budget (including both utilisation on central activities and the funds released to the state governments) in the last two months of the financial year. As per latest data available, in FY 2019-20, between the 2nd week of February and end of March 2020, 39 per cent of the funds was still to be released. This is irrespective of the fact that, at the end of the financial year GoI has been releasing majority of budget allocated to CPS scheme. Between FY 2014-15 and FY 2018-19, expenditure as a share of allocations has been in the range of 97 per cent to more than 100 per cent.

Figure 4: Overall Release CPS Funds by GoI as Proportion of Allocated Budget (%)
**Delay in release of central share leading to lower utilisation by states**

Typically, funds not spent in a given fiscal year are carried over to the next year. Funds available to a state to be spent during a year include releases by both GoI and State government, as well as opening balances or previously unutilised funds. Unfortunately, lack of data available on unspent balances and state releases means that the actual quantum of funds spent out those available is not available.

Information available from Parliamentary Standing Committee reports however, suggests that the falling quantum of funds released and the delay in release of funds has had an impact on utilisation. States are either not able to spend the entire amount received within the same financial year, or there is further delay in funds disbursed to the district level implementing bodies. As a result, many states have unspent balance that only gets spent in the subsequent year. For instance, as noted by the Parliamentary Standing Committee², expenditure under most MWCD schemes including CPS, till the 31st of January 2020 was under 70 per cent.

**Delay in release of funds to NGO-run CCIs**

The NGO-run CCIs registered under the scheme, face significant delays in terms of payment released from government. In states like Rajasthan, Uttar Pradesh, Kerala, Tamil Nadu etc., CCIs registered under the CPS scheme, receive funds directly from the state office or SCPS. However, states mostly do not start releasing funds to NGO-run CCIs unless they receive the final sanction letter from GoI. Our interaction with the CPS scheme officials in Rajasthan revealed that the state is not sure whether the entire proposed annual financial plan would eventually approve by PAB till they receive final sanction letter. This is precisely the reason why no funds were released to NGOs in Rajasthan in FY 2018-19, as the state received its full and final share of sanctioned grants in only March 2019. In some states NGO-run CCIs are paid on a reimbursement basis. For instance, in Uttar Pradesh and Rajasthan, NGO are reimbursed for their expenses every 6 months or so, once they submit their proofs of expenditure, and the records are verified by the officers in the corresponding DCPU. As a result, the second instalment is often not released within the same financial year.

**F. Other Challenges**

In addition to challenges related to fund-flow, the scheme suffers from other challenges as well. Some of these are described below.

- **Low per-child costs for Institutional Care as defined under the scheme guidelines**

As per revised CPS guidelines effective from 2018, maintenance cost per child in the CCI is fixed at ₹ 2160 per child per month, which includes food, clothing, medicine, toiletries, oil etc. This translates into around ₹70 per child per day including all meals. Since many of these children are rescued from vulnerable situations, they need proper medical care, and the per-child cost includes cost for medicines as well.

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Considering the current price levels, the actual per-child cost to provide basic minimum quality of food and maintenance ends up being considerably higher than what is currently sanctioned under CPS. This issue has been raised in the past by both state governments as well as NGOs. This partly explains the poor conditions of children in CCI across many states. Many better-performing NGOs end up spending much more per child than the amount they receive from government.

- **Low Remuneration for the Sanctioned Posts**

The monthly remuneration for many of the crucial posts for implementation of the scheme such as CWC officials, DCPU officials etc. are quite low, in comparison to their workload. For instance, as per the scheme guidelines, the CWC chairperson is paid a monthly allowance of ₹12,000, at ₹1000 per sitting for 12 sittings per month. Again, the counsellor and the accountant at DCPU receives a monthly salary of ₹14,000 each. Salary for a counsellor at a CCI with 50 children is ₹17,500 per month. Similar issues exist in some other centrally-sponsored schemes as well. For instance, monthly honorarium of Anganwadi workers as part of Integrated Child Development Services (ICDS) ranged between ₹4,500 in Arunachal Pradesh and ₹11,250 in Tamil Nadu in 2019-20. Along with the Aganwadi workers, the Lady Supervisors (LSs) and the Child Development Project Officers (CDPOs) have to handle additional charges due to existing vacancies. As on 30 June 2020, 29 per cent of sanctioned positions for CDPOs and 32 per cent for LSs were vacant³.

Again, in certain states posts for some frontline workers under CPS scheme are filled by contractual staff. Due to low remuneration and temporary nature of their jobs, as per interviews conducted, contractual workers are not always well-trained, and may lack motivation.

- **Non-functional Village and Panchayat level Child Protection Committees (CPCs) in many states and no budget allocations**

One of the objectives of the CPS scheme is to strengthen child protection at family and community level and put in place preventive measures to protect children from situations of vulnerability, risk and abuse. The scheme also aims to raise public awareness on child rights and protection, and related services available. In this context, the Child Protection Committees (CPCs) at the village, Panchayat, and block levels are expected to play a pivotal role in mapping of children in need of such services and to facilitate them in availing them. In rural areas, the CPCs are required to be formed at two levels: Village Child Protection Committees (VCPC) at the village level and Panchayat Child Protection Committees (PCPC) at the Gram Panchayat level. Similarly, every block and district needs to have a Block Child Protection Committee (BCPC) and a District Child Protection Committee (DCPC).

Our discussions with CPS scheme officials across states including Assam, Bihar, and Rajasthan, revealed that in most states the CPCs at the village or Gram Panchayat level, are non-functional, even though they are constituted. One of the key reasons behind this is the fact that there is no budget allocated under the scheme for meetings and trainings of the CPCs. As a result, the members have no incentive to perform their expected roles. At the same time, poor monitoring of the CPCs and lack of a clear accountability mechanism, further

adds to the issue. Also, since most CPC members have other full-time responsibilities, they are rarely available to take time out for this additional responsibility.

- **Children Homes in Many States are Densely Populated**

  As per the scheme guidelines the upper limit of the number of children per a particular Children Home is 50. Many NGO-run CCIs do not always have the infrastructure to accommodate even 50 children. Some states thus have kept the limit flexible at 25 as well. As on February 2020, at an all-India level, the average number of CPS beneficiaries per Children Home was 47 in line with the scheme guidelines. There are however wide variation across states. This number was highest in Odisha (76), followed by Tamil Nadu (67), and West Bengal (59). In fact, these three states along with Andhra Pradesh and Haryana, have more children on an average than what is recommended by in CPS guidelines (refer Figure 5). However, even the upper limit is an issue because lack of adequate infrastructure.

In contrast, Maharashtra (30), Assam (33), and Jharkhand (33) had lowest number of beneficiaries per Children Home, among 20 large states. While Maharashtra actually has lower number of children in these centres, Assam has relatively more Children Homes in comparison to the number of beneficiaries, bringing the average down. Jharkhand, on the other hand, had relatively higher number of beneficiaries in Open Shelters than in Children Homes.

**Figure 5: Average Beneficiaries per CCI and Total CPS Beneficiaries in Institutional Care, February 2020**

<table>
<thead>
<tr>
<th>State</th>
<th>Average beneficiaries per Children Home</th>
<th>Total beneficiaries in Children Homes</th>
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<tbody>
<tr>
<td>Odisha</td>
<td>76</td>
<td></td>
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<tr>
<td>Tamil Nadu</td>
<td>67</td>
<td></td>
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<tr>
<td>West Bengal</td>
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<tr>
<td>Andhra Pradesh</td>
<td>53</td>
<td></td>
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<tr>
<td>Haryana</td>
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<td>Madhya Pradesh</td>
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<td>Rajasthan</td>
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<td>Karnataka</td>
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<td>Bihar</td>
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<td>Chhattisgarh</td>
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<td>Maharashtra</td>
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Source: Rajya Sabha Unstarred Question No. 3025 answered on 19 March 2020. Available online at: https://pqars.nic.in/annex/251/AU3025.docx

- **Poor quality of service delivery in CCIs**

  The JJ Act, 2015 and the Juvenile Justice (Care and Protection of Children) Model Rules, 2016 specifies the benchmark of services to be delivered to the children. However, there have been several reports over the years regarding poor quality of service delivery and exploitation of children in CCIs including the juvenile homes. Taking cognisance of this issue, the MWCD had issued an advisory to the states and UTs in November 2018 regarding action to be taken by administration, in case of disruption to the life of children due to any untoward incidence of abuse in any CCI.
In 2018, the MWCD looked into the working conditions of 9,589 CCIs across the country and painted a particularly dismal picture of the condition of services (MWCD, 2018). A majority (91 per cent) were run by NGOs and only 9 per cent were under direct Government supervision. The study found that only around one third (32 per cent) of the total CCIs were registered under the JJ Act, implying that a majority were outside proper supervision. Standards regarding nutrition and diets, toys for children, hygiene and maintenance, educational facilities were also found to be inadequate.

- **Limited Availability of Financial Data**
  At present there is no publicly accessible online Management Information System (MIS) for CPS scheme, with state-wise collated information on funds approved budgets, releases and expenditures. Moreover, the CPS scheme office at MWCD only maintains state-wise information on central share released by GoI and expenditure of that. It does not maintain data on state share released by different states and total expenditure under the scheme, including both central and state share of funds. At present, the only way to understand a state's financial performance under the scheme is to collect the data from the relevant state government department and there is no comprehensive way to measure scheme fiscal performance.

### Section 2. Impact of Covid-19 on Children

In addition to the direct health hazards of the pandemic, children have been affected in multiple ways. With economic slowdown, the livelihood-generating opportunities of households have been severely hit. This has had ramifications for child labour, education, child marriage, nutrition, and violence against children. Moreover, research has shown that extended lockdown or limited movements outside homes, tend to have complex implications on people's mental health, especially children. We discuss some of these salient dangers that children are exposed to due to the pandemic, which need both urgent and long-term policy attention.

#### A. Child Labour

Under the SDGs, countries are committed to end all forms of child labour by the year 2025. In the past two decades, globally around 94 million children had been moved out of child labour. However, the pandemic threatens to undo this progress (ILO and UNICEF, 2020). As per the Census 2011 data, 10.1 million children between the ages of 5 to 14 and another 22.87 million adolescents are in the workforce, bringing the total child labour (under 18 years) to 33 million (Census of India, 2011).

Several pathways have led to the pandemic’s direct contribution towards increased child labour. Chief among these are the shrinking economy and unemployment, leading to a drop in personal disposable income. In December 2019, monthly unemployment rate in India was 7.60 per cent, as per the Centre for Monitoring Indian Economy. During the pandemic, the unemployment rate spiked to 23.5 per cent in April, and 21.7 per cent in May 2020. In parallel, the COVID lockdown sparked a recession in India with a whopping 23.9 per cent contraction in GDP in the first quarter, followed by 7.5 per cent in the second quarter. The International Monetary Fund (2020) has predicted an overall 10.3 per cent GDP contraction in 2020-21. The absence of poverty data in India (Mahapatra, 2020) makes it hard to estimate the impact of COVID-19 on poverty rates but estimates project that COVID-19 can push a further 354 million people into poverty (Saini,
Research has shown that globally 1 per cent increase in poverty leads to 0.7 per cent of rise in child labour as families are forced to find alternative avenues for income (ILO and UNICEF, 2020). Thus, increased poverty and income insecurity is likely to increase child labour, as families increasingly rely on the extra income to meet basic expenditures (Marwaha, 2020).

This effect was compounded by the relaxation in labour laws across several states in India, which have increased weekly work hours from 48 to 72 hours and abolished the minimum wage in some states (Ram, 2020). The relaxation in labour laws has led to employers hiring cheaper labour to reduce costs – and one of the cheapest source of labour is child labour. Other contributing factors for increased child labour include reverse migration, which can lead to adolescents stepping in to meet the labour gap in urban areas, as well as cheaper child labour being hired in rural areas due to excess labour. In addition, the closure of schools has pushed children from marginalised families to enter into the workforce to contribute to household income.

Some of these effects are already visible. There have been reports of increased incidences of child labour post-pandemic including by the Delhi Police and the New York Times PTI, 2020a; Gettleman and Raj, 2020. Data put out by the Bachpan Bachao Andolan, a children's rights group, reported rescuing 1,197 children between April and September 2020, compared to just 613 in the same period last year (Bhaduri, 2020). Childline, a nationwide helpline for children, received 192,000 distress calls between March and August 2020, most for child labour; they received 170,000 calls in the same period last year (Bhaduri, 2020).

B. Education

The pandemic has had a profound impact on education in India, with schools in many parts of the country still closed as of December 2020. This has led to a sharper divide in access to education along socio-economic lines, since children's access to digital education tools corresponds with economic status.

The Annual Status of Education Report (ASER), in a country-wide telephonic survey conducted in September 2020 in rural areas, found that 5.5 per cent of children in 5 to 16 years age group were not enrolled in school as of 2020, compared to 4 per cent out of school in 2018. However, the average figure masks a sharp increase in young children. 5.3 per cent of children aged 6-10 years were not in school in 2020, compared to 1.8 per cent in 2018. This could have long-lasting implications on learning levels and earning potential over the lifetime of this cohort of students. Further, the survey conducted by ASER found that school closures during COVID-19 have impacted learning opportunities, with only 61.8 per cent of all children possessing a smart phone at home. Around three-fourths children relied on the support of family members at home to continue learning. Inter-generational inequality could further be exacerbated here, with better-educated parents able to support children more than parents who have not completed school themselves. Finally, during the week of the research study, a whopping 68.1 per cent of respondents reported that they had not received any learning material from their schools in that week (ASER, 2020).

Difficulties in accessing education are predicted to double school drop-out rates (Seethalakshmi, 2020), with girls being disproportionately affected (Sonawane, 2020). Children who have dropped out of school are could be pushed into child labour as well as child marriages. Girls are more likely to not return to schools when they reopen, as compared to boys (UNESCO 2020). In addition to a decline in learning, girls are more likely to encounter increased gender-based violence. School closures during the Ebola epidemic in the past had resulted in early and forced marriages, and increased rates of pregnancy among young girls. According
to UNESCO’s estimates, in the current situation, 24 million children globally are at risk of not returning to school. Close to 6 million of these children are from South and West Asia.

C. Child Marriage

According to the NFHS 2016 (Ministry of Health and Family Welfare, 2017), in India, 15.2 per cent of girls between the age of 15-19 years were married. Post the COVID-19 pandemic, there have been numerous reports of a spike in child marriages among girls. While nation-wide data under NFHS-5 is not yet available, there have been multiple news reports of specific cases in different states. Maharashtra reported a 78.3 per cent increase in child marriages until September 2020, compared to the same period in 2019 (Chakraborty, 2020). News interviews with government officials and NGOs in Maharashtra and Varanasi reported an increase in helpline calls for child marriages, with the age for marriage being younger than usual, at 12 years (Pathak & Frayer, 2020). News reports also highlight increased child marriages in Odisha (Sahu, 2020), Karnataka, and Tamil Nadu (Dasgupta, 2020).

Contributing factors for the spike in child marriages include poverty and unemployment, which lead to families marrying girls to reduce their financial burdens. In addition, marriage is seen as protection against gender-based violence, which also spiked during the lockdown (Nikore, 2020). Further, the disproportionate rate of girls dropping out of school during the lockdown has further contributed to the increase in marriage rates. Finally, news reports indicate lower law enforcement against child marriages during the lockdown, which perhaps encouraged families to proceed with child marriages without fear of repercussions.

D. Violence against Children

In 2016, the World Health Organisation (WHO) reported that child abuse was 75 times higher than the official statistics. It was also reported that 22.6 per cent of children faced physical abuse (WHO, 2016). This figure may have increased manifold in the current COVID context. The increased precarity along with confinement due to lockdowns, has consequences for the physical and mental well-being of everyone, including children. Such restrictions can induce symptoms similar to post-traumatic stress syndrome, irritability, and anger (Population Council Institute, 2020). Additionally, research on previous pandemics has shown that it can lead to a rise in violence against women and children (Peterman et al., 2020). Restrictions in movements and home quarantines increase the risk of children’s exposure to potential perpetrators. Moreover, financial stress, accentuated by increased morbidity levels, leads to increased anxiety among caregivers, which is often translated into violence against children. According to an extensive study by ‘Save the Children’, globally nearly one-third of the households with children reported violence of some kind and up to 83 per cent of the children interviewed reported having more negative thoughts and feelings (Loperfido and Burgess, 2020).

India’s National Commission for Women reported a surge in complaints of domestic violence against women, with 536 complaints received in March-April, compared to 396 complaints in the two months prior to the lockdown (Rukmini, 2020). Against this backdrop, a worrying trend is increased physical and sexual violence against children. The ‘Childline India’ helpline received more than 92,000 calls about child abuse in the first 11 days of the lockdown alone (PTI, 2020b). Another worrying indicator is the reported 95 per cent increase in consumption of child pornography immediately post-lockdown (Sheth, 2020). Factors that
accentuated child abuse during the lockdown include social isolation, stress experienced by caregivers, food insecurity, and absence of support networks from schools (Ravichandran, Shah, and Ravichandran, 2020). A report by Childline, the national helpline for children set up by the MWCD, noted a sharp and worrying increase in instances of both child marriage and child trafficking (Ghose 2020).

Thus, it is evident that the pandemic was increased the vulnerabilities of children in many different ways apart from the health hazards. These factors are likely to increase the need for and demand for CPS scheme as well. In the next section we look a little more closely at the potential impact of the pandemic on the services offered by CPS scheme, and the rise in vulnerability of children who are currently the beneficiaries to this scheme.

**Section 3: Impact of COVID on Services Offered under CPS Scheme**

**A. Potential Budget cuts for CPS**

For the first three quarters in a row, the Ministry of Finance has asked many Union government ministries and departments to restrict expenditures to 15 to 20 per cent of Budget Estimates (BE) for FY 2020-21, excluding those considered vital to dealing with the pandemic. This includes the MWCD, responsible for implementing CPS. As per latest data available in the Controller General of Accounts (CGA), MWCD had spent only 36 per cent of its initial BE till October, compared to 59 per cent in the same period for the previous fiscal year. Even in terms of the quantum of funds, 23 per cent less was spent by the ministry in FY 2020-21 till October than the previous year.

Given that two schemes accounting for 77 per cent of the total WCD budget namely, the Integrated Child Development Services (ICDS) and the Pradhan Mantri Matru Vandana Yojana (PMMVY), were prioritised during the pandemic, this could signify a cut in budgets for CPS. In fact, till the second week of December 2020, several states including Bihar, Assam, Uttar Pradesh, Tamil Nadu and Kerala, had not received the final sanction of the central share of funds from MWCD, adding to the uncertainty of finances for CPS.

**B. Considerable Decline in Release of CPS Funds to States in FY 2020-21**

As previously described, even before the pandemic hit India in March 2020, the share of GoI allocations released to states had gradually declined in the last two years. The situation has been much worse in FY 2020-21. As per data received from MWCD through a RTI (Right to Information) application, during the first seven months of the financial year, (from April to October 2020), only 17 per cent of the total budget allocated by GoI for FY 2020-21, had been released to the states.

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5 Supplementary Nutrition Programme (SNP) and Take-Home ration (THR) with grains under ICDS continued in many states through the pandemic (Accountability Initiative, 2020)
C. Increased Financial Constraints for NGO-run CCIs

The delay in funds received by NGO-run CCIs and the decline in other sources of funds including donations from individuals, are likely to impact their ability to deliver during the pandemic and beyond. As per reports, for instance, orphanages in Delhi reported a drop in donations due to restrictions on donor visits (Chopra, 2020), with similar reports from Bangalore, Chennai, and Cochin (Rodrigues, 2020). Additionally, the government is not required by law to provide funding for all NGO-run CCIs, even if they are registered. They need to apply for funding through a cumbersome and lengthy process. The amount of funding is dependent on the number of children in CCIs, and sometimes CCIs are funded for fewer children than they provide for (Mazumdar, 2020).

Moreover, with the amendment of the Foreign Contribution (Regulation) Act (FCRA) in September 2020, some of the terms related to acceptance, transfer, and utilisation of foreign contributions have been redefined and made relatively stricter than in the past. Thus, for those NGOs that have been dependent on foreign contributions for functioning of the CCIs, might have to face the additional burden of going through the new FCRA compliance processes.

D. Greater Demand for Rehabilitation Services

The rise in child marriage, child trafficking, and other forms of violence against children suggests an increase in number of children that need protection and rehabilitative services during this period. Consequently, it is expected that CCIs see an increase in new admissions (Mazumdar 2020). At the onset of the pandemic, the NCPCR released COVID-19 related guidelines for Child Care Institutes (Advisory, 2020), suggesting timely release of funds by DCPUs and social distancing measures.

However, with CCIs across many states already overcrowded, such additional demands are difficult to be fulfilled. Moreover, since most of these vulnerable children are from financially poor backgrounds, CCIs will find it challenging to rehabilitate children back with their families especially as the economic crisis could have worsened financial capabilities of the families.

E. Shortage of Caregivers in CCIs and Poor-Quality Service Delivery

While CCIs are expected to see an increase in admission due to rise is the number of children in need of care, the pandemic has complicated access to caregivers for these children. In the past, Union government itself revealed that more than half of the CCIs in the country did not have adequate number of caregivers (MoWCD, 2018). During the pandemic, due to social distancing concerns, CCIs were advised not to allow visitors inside their buildings. This included non-residential caregivers, staff, and external volunteers (Mazumdar 2020). This further constrained availability of caregivers and residential staff were required to take on the extra workload.

Even before the pandemic, basic amenities such as toys for children, educational facilities, and proper hygiene facilities, were not up to standards. Difficulties in raising funds by NGO-run CCIs during the pandemic, and poor monitoring due to travel restrictions, these conditions are likely to have worsened.
F. NHRC Advisories for Protection of Children in CCIs

During the COVID-19 pandemic, the National Human Rights Commission (NHRC) noted that there were reports of increased physical and sexual violence against children, instances of child marriages, and child trafficking. It also expressed concern over the safety of children in CCIs with respect to contracting the contagion, and barriers to accessing necessary services. As a response to this, it constituted a committee comprising stakeholders, experts, and representatives from various ministries to assess the impact of the pandemic and suggest appropriate measures. The NHRC committee issued advisory recommendations to ensure protection of rights of children regarding education, health, food and nutrition. It also issues specific advisories pertaining to CCIs, and for the Child Protection & Justice System (NHRC, 2020). The Committee noted that child protection services are essential for ensuring child rights. Consequently, it recommended that service providers such as members of JJBs, CWCS, DCPUs, and Special Juvenile Police Unit (SJPUs) be classified as essential services. It also suggested issuing Standard Operating Procedures (SOPs) to help these bodies adapt to various pandemic related protection measures. It recommended issuing guidelines to police officers to not apprehend children for petty crimes and refer them to the appropriate SJPUs instead. Taking note of the increased risk to institutionalised children, the committee recommended that children’s access to essentials such as hygiene related supplies and support networks such as counsellors, is ensured.

However, NHRC acknowledged that pandemic-related behaviour such as social distancing might not be feasible in CCIs. Thus, it advised decongesting of CCIs and avoiding new admissions as far as possible. While that is an understandable recommendation, the feasibility of decongesting CCIs is complicated (Nale-Tajane and Debnath 2020). Reuniting children with their families can also be a potentially risky endeavour. Restoration might endanger children who were institutionalized as a result of their rights being violated while they were with their families. NHRC recommended creating a detailed individual care plan that took into consideration “child’s best interests, health and safety concern”. It also advised states to prepare protocols for regular social audits and inspections of CCIs to ensure compliance with COVID-19 protection measures.

Section 4: Summary and Recommendations

Even before COVID-19 pandemic hit India, a large number of children were in vulnerable situations with rising number of cases of crimes against children every year, and rampant child labour. The pandemic and economic contraction that followed has worsened the situation. Financial stress in families, restricted movements, lack of interaction with communities, health anxieties and limited access to external caregivers have pushed many children into a host of exploitative situations. In the current circumstances, the need to provide care and protection to these children is much higher than in the pre-COVID situation.

With two consecutive quarters of economic contraction in the current fiscal year, India has technically entered into recession in FY 2020-21. There has been a steep decline in gross tax revenues of the Union government. Even in the current difficult economic situation, any reduction of public investment on child protection can worsen the situation. Even as large parts of government budgets and efforts are redirected towards fighting the health crisis, it is important to ensure that basic rights of children are not compromised and avenues for allocating more budgets for child protection are identified.
CPS, being the key vehicle to implement the provisions of the JJ Act to provide both family-based as well as institutional services to children in vulnerable situations, it is important to ensure proper implementation of the scheme. Some of the broader recommendations to provide better quality services to beneficiaries as well to increase its coverage, are outlined below.

- **Need to Increase per-child costs for CCI in CPS scheme**

Even after a decade of implementation of CPS scheme, its share in total MWCD budget was only 5 per cent in the beginning of this financial year. While the current fiscal situation may make it difficult to substantially increase budget allocations, ensuring that the existing funds are released fully and on time, is critical for the implementation of the scheme. Moreover, in order to ensure optimal use of resources, priority should be given on releasing the per-child maintenance costs for children in all the CCIs, ensuring safety and hygiene in CCIs, and ensuring timely remuneration to frontline officials.

At the same time, considering the dismal situation of service qualities in CCIs across many states, it is important to make an upward revision to the current per-child costs under the CPS scheme. However, at present there is limited scope to do so. Since budgets are currently allocated as per the sanctioned per-child cost in the scheme guidelines, any increase in this, requires revision of the CPS guidelines.

- **Additional Budget for Children in CCIs for Preventive Care Against COVID-19**

There are mixed opinions from health experts regarding how long it will take for us as a country to be free from the pandemic, which ranges from 6 months to 2-3 years from now. Till the vaccinations are available at affordable costs to the masses, the standard safely measures such as ensuring cleanliness, keeping safe distances, wearing masks etc. need to be followed, even among the children who are in institutional care under the CPS scheme. There is also the need for regular testing of these children and medical care. This calls for additional budget to be allocated to the CCIs for ‘preventive care against COVID-19’ as part of child maintenance expenses. Since states are already in financially stressed situation, this amount should be funded by Union government.

- **Urgent Need to Activate the CPCs in Villages and Gram Panchayats**

Lack of adequate data was a hinderance even prior to the pandemic to understand scheme performance. The adverse effects of the pandemic make it imperative to track children in vulnerable situations and provide them protection. At present, even though the scheme envisages the CPCs to carry out this task in rural and semi-urban areas, they are not functional in a majority of states. Immediate attention to activate the CPCs at village and Gram Panchayat levels must be undertaken. This would require incentivising these committees to perform their envisaged roles, by providing them some basic financial incentive, such as the logistical expenses to conduct meetings. At the same time, state governments should devise a mechanism for regular monitoring of the functioning of the committees.
• **Implement Mechanisms to Increase Non-Institutional Care under CPS**

In spite of family-based non-institutional care services such as foster care, adoption and scholarships, being integral to CPS scheme, the penetration of such services are extremely low. Considering that institutional care should be the last resort for a child’s overall well-being, there is a need to ramp-up these three important services offered by the scheme. The CPCs at village and block levels can play a crucial role in mapping potential children who need these services and also creating awareness among families to access them. At the same time, the state governments should invest in creating awareness across communities about adoption and foster care services.

• **Implement Management Information System (MIS) to Track CPS Fund-Flow**

In a time of expenditure contraction, it is essential to ensure efficient and effective use of existing resources. This would require an online and publicly accessible MIS to track performance of the CPS scheme from Union government to states, and to the districts. Information on funds allocated, released, and spent under the scheme, including both state shares as well as central shares, should be regularly updated in the MIS. At the same time, information on beneficiaries under both institutional-care, and non-institutional care, should be collected and regularly updated.

• **Reduce Delays Between Budgets Proposed by States and Approved by MWCD**

At present, there is substantial time gap between submission of annual financial plans for CPS by states to the PAB at MWCD, and the final approval of such plans. Most states receive the final sanction letter from MWCD during the latter half or during the last quarter of a financial year. Till that time, there is no mechanism through which states can be aware of the total amount that would be finally approved for that financial year. Apart for other areas, such an uncertainty impacts the funding for NGOs more because without a formal approval, it is unclear how many NGOs would be receiving funds under CPS in that year. It is important to bring down the gap between submission of proposals and approval of annual plans by PAB. Since considerable time of PAB goes into verification of multiple documents submitted by each state, especially those of the NGOs, there might be a need to increase human resources and also, digitise some of these processes. When states have an estimation of funds that would be available to them in the initial months of a financial year, they would be able to plan different activities under CPS scheme in a more efficient manner.
Annexure

Figure A1: Administrative Set-Up and Fund-Flow Process under CPS Scheme at State and District Level
References


