Transforming Cash Transfers:

Beneficiary and community perspectives on the Cash Transfer for Orphans and Vulnerable Children Programme in Kenya

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Executive summary

1. Study context and methodology

There is international consensus that social protection (SP) is a powerful way to fight poverty and promote inclusive growth among vulnerable populations. In Africa also, there is growing interest in SP as a means of providing predictable social assistance to poor and vulnerable populations. Cash transfers (CTs) are regular and predictable transfers provided by the state and non-governmental organisations (NGOs) as part of a social contract with citizens, and may include child support grants, orphan care grants, disability grants, social pensions and transfers to poor households. There is evidence that CTs can help tackle hunger, increase living standards and improve the education and health of the poorest families (Adato and Basset, 2008). New research in Kenya further suggests CT programmes not only improve nutrition, education and health benefits for orphans and vulnerable children (OVC), but also can significantly reduce risky sexual behaviour and HIV infection (Handa, et al. 2012).

This study was the pilot for a multi-country study exploring the experiences and perceptions of unconditional CT programmes in five countries (Kenya, Uganda, Mozambique, Yemen and the Occupied Palestinian Territories (OPT).The focus of this study was on unconditional CTs to OVC. The study explored the perspectives of beneficiaries, non-beneficiaries and programme implementers in order to obtain a picture of individual, household, community and national views, experiences and perceptions of the CT programme, ranging from design and implementation to effects and impacts. The research design was informed by an extensive and comprehensive review of secondary materials and primary data were collected using qualitative and participatory methodologies, including participatory photography.

The study was conducted in two sites in Kenya: Makueni and Busia. Data collection methods included: 1) in-depth interviews (IDIs) and key informant interviews (KIIs); 2) focus group discussions (FGDs); 3) case studies; 4) structured observations; 5) life histories; and 6) participatory photography. Data were collected at the national, district and community levels; all respondents gave informed consent. Key themes and sub-themes were identified, which then formed the basis of the coding and analysis process. Capacity building and policy engagement at different levels (from community through to national) and with different target audiences were carried out on an on-going basis.

Definitions and experiences of vulnerability

Members of communities considered poor and vulnerable people to be those who lack basic necessities such as food, clothing and shelter; they live in grass-thatched mud houses, possess inadequate land, lack sufficient clothing/bedding, have many children, experience food shortages, cannot afford health care, lack livestock, work as casual labourers, cannot afford school fees for their children and rely on food donations. Respondents in the two sites identified OVC, widows, people with disabilities (PWD), children, older persons and women in general as the most vulnerable groups in the community.

While vulnerabilities are mostly uniform in the two sites, environment-related vulnerabilities, such as drought, scarcity of water, food insecurity and poor crop yields, are experienced mainly in Makueni county. Individual-level vulnerabilities include stress, early marriage/pregnancy and drug and alcohol abuse, and are prevalent in the two sites. Young men were said to be vulnerable to drug and alcohol abuse and unemployment, whereas young women are vulnerable to early marriage and pregnancy.

Coping strategies

Key coping strategies reported include small-scale farming, informal support group membership, relying on the CT programme, borrowing from friends, engaging in petty trade, reliance on hand-outs, engaging in wage/casual labour, selling produce, taking goods on credit and sharing labour. Children's coping mechanisms include staying away from school or dropping out completely, seeking educational bursaries, running away from home, child labour, early marriage for girls, petty crime and food theft/pilferage. Women were found to have, or were willing to mention, more coping mechanisms than men: they belong to informal groups, borrow from each other and in general shield each other from vulnerabilities affecting their communities. The government, represented by local administrators (chiefs and sub-chiefs), is the key institution the vulnerable turn to for support. Other

institutions/persons include school/head teachers, church/religious leaders, hospitals/doctors and beneficiary welfare committees (BWCs).

Mechanics of the Cash Transfer for OVC (CT-OVC) programme

For a household to be selected to participate in the CT-OVC programme, it must be identified as extremely poor, be supporting at least one OVC under 18 years and not be receiving benefits under a similar programme. Beneficiary households are identified and selected through an elaborate community-based selection process. Households receive KSh 4,000 ($48) every two months through the local post office, with the caregiver receiving the cash on behalf of the OVC. The CT is unconditional, but programme objectives require caregivers and guardians to fulfil certain roles and responsibilities, which include ensuring: OVC aged 0-5 years are taken for immunisations and growth monitoring; OVC aged 6-17 regularly attend basic education; OVC acquire birth certificates; and caregivers attend awareness raising sessions.

2. Key findings

Beneficiary and community members knowledge and perceptions of programme implementation

All respondents were fully aware of the existence of the CT-OVC programme, although non-beneficiaries did not know the monetary value of the CT. Similarly, most OVC, while aware their caregivers received money on their behalf, did not know the details of the programme in terms of frequency of receiving the CT and use of the CT. Children's knowledge of the programme in the two study sites seems to depend on their level of involvement in household responsibilities, either as household heads or as performers of key tasks in the household. Community members (both beneficiary and non-beneficiary) perceived the targeting process to be fair and were satisfied with the main selection criterion – presence of an orphan in the household. Beneficiaries were satisfied with the current arrangement whereby they collect money from the post office, although they complained of the distance they needed to travel, as well as crowding on payment day, even though there is a window of 10 working days in which they can collect.

Programme governance

The CT-OVC programme is managed through a series of committees at the national, district and community levels. The Ministry of Gender, Children and Social Development (MGCSD) is the executing agency, with overall responsibility lying with the permanent secretary. The OVC Secretariat coordinates and supervises implementation, and the Technical Working Group (TWG), comprising the OVC Secretariat and key donors (the United Nations Children's Fund [UNICEF], the World Bank and the UK Department for International Development (DFID)) offers technical support. At the district level, the District Children's Office (DCO) takes care of administrative aspects and coordinating logistical processes. While human resources at the national level are adequate, at the district level the situation is more challenging: the programme relies mainly on volunteers at the community level, including voluntary children's officers (VCOs), locational OVC committees (LOCs), beneficiary welfare committees (BWCs), chiefs and sub-chiefs.

Use of cash by beneficiaries

The findings show that use of the CT is similar across the two study sites, and includes purchase of basic household necessities (food, bedding, clothing, etc.), buying housing materials (shelter), meeting school requirements (levies, uniform, extra tuition) and paying health bills. These expenditures are to a great extent related directly to the strategic objectives of the programme (education, health, food security and civil registration). The CT is also used to sustain livelihood activities and secure the future, including saving to start small businesses, purchasing domestic animals, investing in small-scale farming and contributing to merry-go-round groups. Savings are also made possible, particularly in Busia, through support groups that enable the pooling of resources. Cases of misuse of funds were reported in the two sites: according to key informants, in some cases, male recipients have used some of the cash to buy alcohol, although this is relatively rare (only three cases reported, with the majority of the cash being used as indicated above). On average,

approximately 75% of the funds are spent on consumption-related expenditure and around 25% is invested.

Perceptions around the value of the CT

The CT was generally valued more than other forms of social assistance (food aid, public works, etc.). Study participants argued that the CT gave them the freedom to spend the money on what they needed, unlike other forms of social assistance. Those who had experience with food aid said it made them feel like dependants. As for public works, experienced in the two sites under a programme called KaziKwaVijana (work for youth), study participants had not liked this type of social assistance because of the work conditions that go with it: youth had to engage in labour-intensive public works before being paid and felt the amount of money offered was not commensurate with the work done.

Positive effects of the CT

There was a consensus among all study participants that the CT programme had had positive effects on the lives of beneficiaries. *Quality of life* has improved both for OVC and for members of their households, including other children: people are now able to construct permanent shelters, have three meals a day and pay health-related costs. An *increase in access to basic education* is also in evidence in the two sites: OVC who previously could not attend school owing to lack of uniforms, books and school levies are now able to do so. The CT has contributed to the *social acceptance of OVC in the community*: previously, orphans were discriminated against and stigmatised because they were perceived to be a burden to fostering households. People are now more willing to foster OVC, giving them improved status and enabling them to be seen as valuable additions to households. The CT has contributed to the *empowerment of vulnerable groups* by, among other things, giving them a voice in the community. For instance, vulnerable groups (older widows, the elderly and the poor) are beginning to participate actively in community meetings. *Social capital* has been stimulated and social groups have been formed around the CT, for example merry-go-round groups made up of CT beneficiaries in both sites and, in Busia, other groups formed for the sharing of resources. These groups also offer informal psychosocial support to HIV-positive widows and advise elderly grandmothers on how to handle OVC. *Economic capital is being built and people are investing in a future for their children*: one of the activities of these social groups is to save and pool money. Members, individually and in groups, then use the money generated to invest in petty businesses and purchase domestic animals. *The local economy has been stimulated*: a trickle-out effect has been noted, whereby most people in the community have benefited either directly or indirectly from the CT. There is also evidence that the CT has contributed to a *feeling of self-worth and increased the self-esteem of OVC.* Children are now going to school and are better clothed and fed; they talked about their future confidently and discussed how they want to succeed in school and lead a better life.

Negative effects of the CT

Some negative effects were also reported: 1) tensions among caregivers at the household level regarding use of the CT, mostly between spouses, with women accusing men of spending the CT on alcohol. Such tensions were said to be isolated and usually occurred in households where men were the listed recipients of the CT; 2) tensions between caregivers and OVC, arising because some OVC were seen to have become 'arrogant' and 'disrespectful' to their caregivers, making demands on them as they are aware caregivers receive the CT on their behalf; 3) tensions between beneficiaries and non-beneficiaries in the community, as there remain many people who feel they should also be in the programme; and 4) some evidence of informal and traditional social protection or social support systems being eroded. Previously, despite economic constraints, taking in vulnerable children, orphans or not, was a responsibility adults had to take on. Such forms of fostering now have a monetary value placed on them, with orphans seen as crucial assets for the income they bring in. People who are willing to take in orphans are doing so not necessarily because they want to foster them, or because they feel it is their 'traditional' duty, but because they look forward to receiving the CT. Tensions at household level were reported by only around 15% of beneficiaries; tensions at community level were reported by all beneficiaries. The DCOs, VCOs and key stakeholders at community level (youth, religious leaders, elders, women's group leader) reported all the tensions listed here.

Views on 'conditionalities'

It appears that the programme objectives of ensuring OVC receive regular food, clothing and shelter, attend school regularly, access health care and acquire birth registration certificates are almost invariably construed as conditionalities by beneficiaries. This does not affect programme uptake rates since, given the high level of vulnerability in these areas, there is a sense that any programme is welcome and is critical to people's survival. Respondents reported that programme implementers monitor compliance with these objectives, or 'conditions', and those who do not comply risk being replaced by alternative caregivers. According to both beneficiaries and key informants, almost all beneficiaries meet these conditions, partly because they make sense (i.e., they can clearly see the benefits) and partly because people do not want to risk being thrown off the programme, since it is key to their survival. This is confirmed by the fact that the research team heard no accounts of households in the study sites being taken out of the programme.

Views on complaints/grievance channels

Interviews indicated that a procedure exists for raising complaints and grievances from the community level up to the OVC Secretariat; beneficiaries are informed of this on recruitment. The system works through a toll-free telephone number issued to all beneficiaries for the purposes of reporting. They can also report complaints and grievances directly to the VCOs, chiefs and DCOs. The complaint and grievance system is managed by an independent firm called Kimetrica. Despite the existence of these channels at the community level, very few grievances regarding programme management were reported. In Busia, two complaints were mentioned during the research regarding the disbursement of money at the local post office, one of receiving fake money and one of receiving an insufficient amount. Delays in payment and distance to payment points were the main concerns reported in Makueni. Most complaints reported to the chiefs have to do with tensions regarding the use of the CT at the household and family levels. Non-beneficiaries have also complained to the chiefs regarding targeting, especially when they feel some needy cases have been left out of the programme.

3. Policy and programme recommendations and next steps

Key recommendations for the future direction of the programme, drawn from discussions with beneficiaries, implementers, national decision makers, civil society stakeholders and donors/development partners, are highlighted below. The findings are an important part of the picture, to consider together with other programme M&E information, when reviewing and assessing any potential changes to programme design and implementation.

Targeting
The current system of targeting mainly orphaned children was said to leave out children living in destitute households, defined as households lacking basic necessities despite the presence of adults. Beneficiaries, non-beneficiaries and community leaders recommended considering destitution and not only orphanhood in targeting, because children in such households are equally vulnerable, even though they have parents. To address the problem of how to define vulnerable children during targeting, civil society stakeholders recommended transforming the CT-OVC into a child rights programme, which would aim to provide SP to all needy children, giving caregivers of needy children a child support grant.

Programme management
Recommendations on programme management included: 1) increasing the frequency of payment (to monthly) and improving the efficiency of the CT; 2) decentralising activities and systems to county, district and village levels (beneficiaries asked that payment points be brought closer to the village; programme implementers and donors at national level recommended decentralising some activities, such as monitoring and evaluation (M&E), to the county and district levels to reduce the workload at national level; 3) monitoring of programme effects on OVC (first identify key indicators and then periodically monitor them; according to programme implementers at the district level, this would reduce fiduciary risks such as of caregivers spending the CT on their own priorities); and 4) joint programming at the national level (currently, different donors and the government support the

programme in different districts), to address the challenge of some districts being well funded while others are not.

CT amount

Beneficiaries acknowledged the significant role the CT played in their lives but at the same time requested that the amount be increased to cushion them from inflation (4.14% in October 2012). They claimed that, owing to the high cost of living, the current CT amount, last reviewed in 2008, was not sufficient to meet the basic household needs of OVC and at the same time address their education and health needs. Respondents also considered irrational the current practice of giving one amount of money to all households, irrespective of the number of OVC. Households with fewer OVC currently benefit more than those with a higher number. Donors/development partners also felt there was a need to rationalise the CT according to household size in order to provide a true measure of the impact on households.

Programme delivery systems

Donors and national-level implementers recommended building more robust systems for programme delivery: strengthening systems for complaints and grievance, M&E and payment service provision, as well as the Management Information System (MIS). Plans are underway to introduce a more efficient and secure payment system. A new payment service provider (Equity Bank) has been identified and is piloting a biometric system for identification and payment. When scaled up, this is expected to be a more efficient and secure way of transferring money to beneficiaries than the current system.

Programme staffing needs: numbers, incentives and capacity building

According to key informants at district level, there is a need to increase the number of qualified staff working for the programme in order to improve the efficiency of the DCOs in terms of M&E, case management, reporting, etc. Staffing at the DCO is inadequate to provide effective support to all programme activities at district and community levels. The programme currently relies on volunteers (VCOs and LOCs) to run activities at the community level, who are not able to devote enough time to ensure effective programme implementation. Providing incentives could improve the effectiveness and commitment of these community-level staff. Donor representatives also pointed to the need to address staff shortages, as well as the need to build the capacity of existing staff. As the programme is scaling up rapidly, it will be important to match this through staff recruitment to ensure proper implementation.

Community participation

According to civil society and academic stakeholders, mechanisms should be put in place to increase community involvement and participation. This might include publicity campaigns to create awareness and working with existing community-level structures like church, youth, women and clan groups. Increased involvement and participation are likely to lead to community ownership and, subsequently, demands for, among other things, accountability in the way funds are used from the national to the local level.

Programme scale-up

According to donor representatives, there is a need to scale up the programme in order to make an impact at the national level. As long as many OVC remain outside the programme, it will be difficult to feel its impacts at a national scale. This would require enrolling more vulnerable households, as recommended by beneficiaries and local leaders in the two study sites. Some respondents spoke about a waiting list, but it was unclear how long they would have to wait before being enrolled in the programme.

Conditionalities

Implementers at the district and community levels, echoed to a large extent by beneficiaries, advocated for the introduction of tougher conditions to ensure accountability on the part of beneficiaries. The programme objectives are viewed as conditions, but these respondents felt enforcement was not strict enough to ensure compliance. The same respondents suggested that penalties other than being removed from the programme, for example being made to account for how the money is spent, should be introduced for those who fail to comply. Implementers felt that conditions would ensure caregivers spent the money on things that benefit OVC.

Integration of the programme with other SP programmes
Key informants at national level felt the current standalone nature of programmes was a challenge for programme implementation, since it might lead to duplication of efforts. Hence, stakeholders felt there was an urgent need for coordination and some level of integration of all SP programmes as envisaged under the National Social Protection Policy (NSPP), in order to enhance coordination and reduce fragmentation. Harmonisation of all CT programmes would not only create a national social protection programme to coordinate all CTs but also facilitate the exploration of modalities for a common payment system, targeting and a single registry. The government is working on a system whereby all social transfer programmes can use a single registry to avoid duplication of efforts. This is a step towards integration.

Sustainability
Interviews with programme implementers and decision makers at the national and district levels highlighted a need to look into the sustainability issue, given that donor funding is often time bound. Political commitment will be necessary to increase the proportion of the government budget allocated to SP programmes. In 2010, government expenditure on SP was equivalent to 2.28% of gross domestic product (GDP), whereas spending on safety nets alone was about only 0.80% of GDP. Key informants at the national level recommended that, instead of spreading out SP programmes across different ministries, as is the current practice, it might be more sustainable to harmonise and integrate all programmes in one basket and allocate a percentage of government funding to this every year.

4. Next steps

Findings from this study will be fed back in different formats at different levels, including community, district, national, regional and international levels. Visual materials will also be presented at these events. After discussions with key stakeholders, four-page country briefings will be produced, highlighting key findings and programme and policy recommendations tailored to the country and programme context. A synthesis report and synthesis briefing will then be produced, providing an overview of findings and programme and policy recommendations, drawing also on the background literature review and the ethnographic work. Finally, guidance will be developed for beneficiary participation in monitoring and evaluation of cash transfer programmes, to inform M&E systems in the future.