GUIDING SOCIAL PROTECTION BENEFITS

A REVIEW OF THE PERSONS WITH SEVERE DISABILITY CASH TRANSFER.

SOCIAL PROTECTION

Concern worldwide

INTRODUCTION

This brief reviews the persons with severe disability (PWSD) cash transfer programme in Kenya implemented by the Ministry of Labour, Social Security and Service (MoLSS). The study, on which this brief is based, was commissioned by the Social Protection Actors Forum (SPAF) and implemented with technical support from Concern Worldwide (Concern). SPAF is a coalition of Civil Society Organizations (CSOs) and other Non-State Actors (NSAs) committed to support social protection in Kenya, through promotion of citizen's engagement in the development, implementation and evaluation of social protection interventions in Kenya.

Budget analysis was ap plied as part of the study methodology. This is a tool for understanding the intent and possible impact of a government's plans for raising and spending public resourcesi. SPAF conducts applied budget work to inform public policy making and investment in social protection in Kenya in order to enable citizen engagement with policy makers on matters relating to resource allocation and expenditure, including: transparency, accountability, participation, adequacy, priority, progress, and equity.

The purpose of the study was to work with SPAF to raise the level of budget literacy among civil society, and bring in more stakeholders into the policy debate, thus enhancing the quality of the national budget with respect to social protection, with a specific focus on the PWSD cash transfer.

The specific objectives of the study were to:

- Conduct an analysis of the national budget for the period 2010/11 to 2013/2014 with specific focus on the allocation for the PWSD cash transfer
- Review the targeting process and impact on PWSD beneficiaries of the cash transfer
- Collate budget gains for PWSD in order to assess if the intent of the cash transfer is being met

This brief provides an overview of the study and presents recommendations based on the findings.

BACKGROUND

Institutional foundation

Social transfers provide direct, regular, and predictable assistance in cash or kind to poor individuals or households, with the aim of reducing deficits in consumption and, in some cases, strengthening their productive capacityii. They are an important component of social protection. Social protection in Kenya, which dates back to the mid-1960siii, received renewed momentum with promulgation of the new constitution in 2010. The constitution guarantees all Kenyans their economic, social and cultural rights and asserts the "right for every person…to social security and binds the State to provide appropriate social security to person who are unable to support themselves and their dependents" (Article 43). In line with the intent of the constitution, the government adopted the National Social Protection Policy in 2011iv. Measures outlined in the policy aim to ensure that all people have the requisite financial cushion to enable them to maintain a decent living standard. The Government of Kenya currently implements five social protection programmes. These include the older persons cash transfer; the orphaned and vulnerable children cash transfer; the urban food subsidy programme; the hunger safety net program; and, the PWSD cash transfer.

Overview of the PWSD cash transfer programme

The PWSD cash transfer is intended to provide assistance to persons living with severe disability and unable to meet basic needs due to poverty. Box 1 provides an overview of both poverty and disability in Kenya. The PWSD cash transfer programme commenced in the 2010/11 financial year. By the end 2012/13 the programme had reached 14,700 beneficiaries with a monthly cash transfer of KES 2,000, an increase from KES 1,500 in the launch year. The programme aims to provide poor households with PWSD with predictable cash transfers. Targeting is based on two criteria: the level of household poverty and the presence of a PWSD in the household. The cash transfer is managed by the MoLSS, in consultation with the National Council for Persons with Disability; other agencies involved include the National Social Protection Secretariat and the Ministry of Finance, specifically the National Treasury.

Box 1

Disability and poverty in Kenya

- It is estimated that 3.46 per cent of Kenyans suffer from some form of disability
- 14,711 PWSD are unable to care for themselves and an additional 4,305 have mental disability
- More than 45 per cent of Kenya's population live below

The programme applies quota-based and community-based targeting, with the government pre-assigning beneficiaries to each constituency. At constituency level, community sensitization and identification of beneficiaries is undertaken using local committees for this purpose. The different forms of targeting employed in PWSD cash transfer programme are outlined in Box 2.

Box2

Forms of targeting used by the PWSD cash transfer programme

Geographic-based: pre-determined, fixed allocation (quotas) of beneficiaries based on geographic, administrative or political boundaries. In the case of the PWSD, constituencies are used as the basis for the allocation of beneficiaries.

Community-based: Communities are enlisted to identify the target population based on the presence of a PWSD in the household and level of poverty.

STUDY METHODOLOGY

The study devised a multi-staged process using mixed methods for the budget analysis. For the purposes of this study, budget analysis considered the needs of a particular group, in this case, PWSD located in Nairobi County. Budget analysis was iterative and included:

1. Literature review: The study relied extensively on secondary data from various publications including those from the Government of Kenya and non-state actors. Key documents reviewed included: the Government of Kenya printed estimates from 2008-2013; MoLSS reports including the targeting manual for the PWSD cash transfer; the National Social Protection Policy; the national report on social protection; the budget speech for 2010-2013 and literature on social protection (from within and outside of Kenya).
2. Key informant interviews: Key informant interviews were conducted with the Deputy Director in charge of the cash transfer; the County Social Development Officer; the sub-County Social Development Officers (eight in total); community workers (working with the disabled, 13 in total); and personnel from three CSOs.
3. Primary data collection: Beneficiary feedback was sought to capture information on household characteristics, targeting and identification of beneficiaries, impact and cash transfer experience. Box 3 outlines the approach used for beneficiary sampling.

Box 3

Beneficiary sampling

The study divided Nairobi into two categories, those sub-Counties containing the major slums (Korogocho, Mathare, Kibera and Mukuru) and those without these slums. Sub-counties in the first category include Langata, Kasarani, Embakasi, Makadara and Starehe while those in the second category include Westlands, Dagoreti and Kamkunji. Given that each constituency has an allocation of 70 beneficiaries, this amounts to 560 beneficiaries in total for Nairobi. Based on this a sample size of 10% was selected. Using a random number generator, 10% of beneficiaries were picked from the two subsets (slum and non-slum), giving a sample of 55 households.

FINDINGS

Findings from the study are outlined below and focus on the geographic and community-based targeting approaches; the inclusion criteria; and the transfer amount.

Geographic targeting

In reviewing the appropriateness of the targeting approach used by the PSWD cash transfer, the study considered the differences in household vulnerability between PWSD beneficiaries in slum and non-slum areas of Nairobi County. Of the households that were sampled, household size was larger, on average, in slum areas with higher variation in household size while households in the non-slum areas tended to have less variation and a smaller household size. The number of dependents in a household is closely linked to its ability to provide for basic needs and support PWSD.

A comparison of household income between slum and non-slum households also revealed large disparities. Many of the sampled households in the slum locations earn less than KES 5,000 a month whereas in non-slum households the average monthly income was over KES 20,000. This is presented in Figure 1.

Households sampled in the slum locations are more reliant on the cash transfer to meet basic needs. For these households, the cash transfer comprises 40 per cent of the household budget for 20 of 35 respondents compared to only four households in the non-slum locations. This suggests that many of the recipients in the slum locations are highly dependent on the cash transfer. The contribution of the cash transfer to the household budget in slum and non-slum households is presented in Figure 2.

Households sampled from slum locations spend approximately 40 per cent of the cash transfer on food;

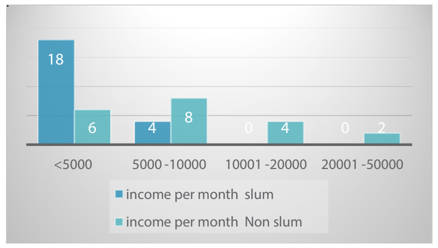

Figure 1: Respondent Income Level By Slum And Non-Slum Location

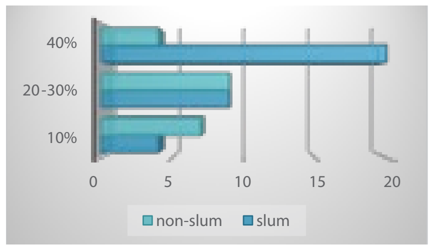

Figure 2: Cash Transfer As A Proportion Of Household Budget

40 per cent on medication, mainly for the PWSD; 15 per cent on clothing, principally diapers for PWSD who need toiletry assistance; and 5 per cent on school fees. Sampled households from the non-slum locations spend 35 per cent on clothing, including diapers as well as uniforms; 25 per cent on school fees; 22 per cent on food; and 18 per cent on medication. Figure 2 presents the cash transfer as a proportion of household budget while figure 3 presents the breakdown of expenditure for the two sets of households.

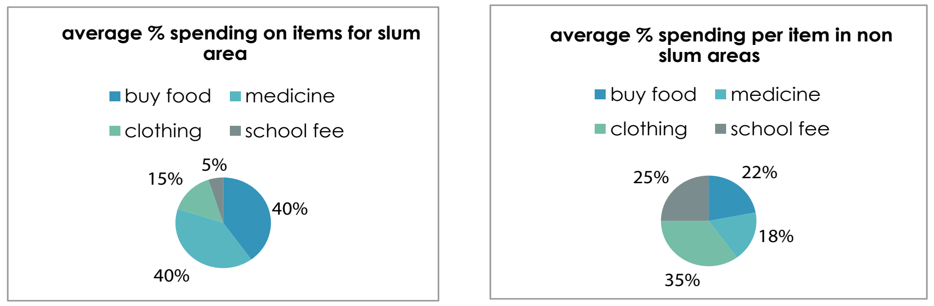

Figure 3: Comparison Of Household Expenditure Of The Case Transfer

The difference in spending patterns speaks to the differences that exist in the level of need for the two sub groups (slum and non-slum). In the slum locations, households spend most of the transfer on basic needs – food and medicine - whereas in the non-slum locations, the transfer is used more for school fees and clothing.

Community-based targeting

Figure 4 outlines the process used to identity PWSD and disburse cash transfers by the programme. The study found that community-based mobilisation of community groups or individuals to identify poor PWSD households received mixed views by those consulted. Some indicated that it was effective while others noted that the mechanisms was subject to manipulation and malpractice. This included request for bribes for inclusion as a potential beneficiary to selling application forms, provided free of charge by the MoLSS. Mobilisation was also not uniformly applied across constituencies leaving some informal settlements excluded. Favouring one constituency over another was reported to be based on political, ethnic or security reasons. The key issues identified as summarized as follows:

- High errors of inclusion and exclusion
- Limited public sensitization and mobilization
- Local committees were biased in targeting
- Fears of corruption and bribery for enrollment
- Expansive nature of some constituencies limited total coverage of the targeting process

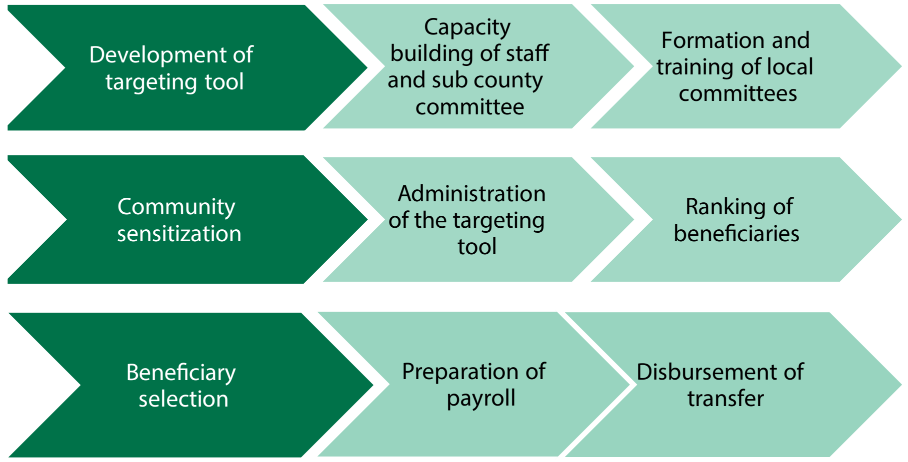

Figure 4: Pwsd Selection And Disbursement Process

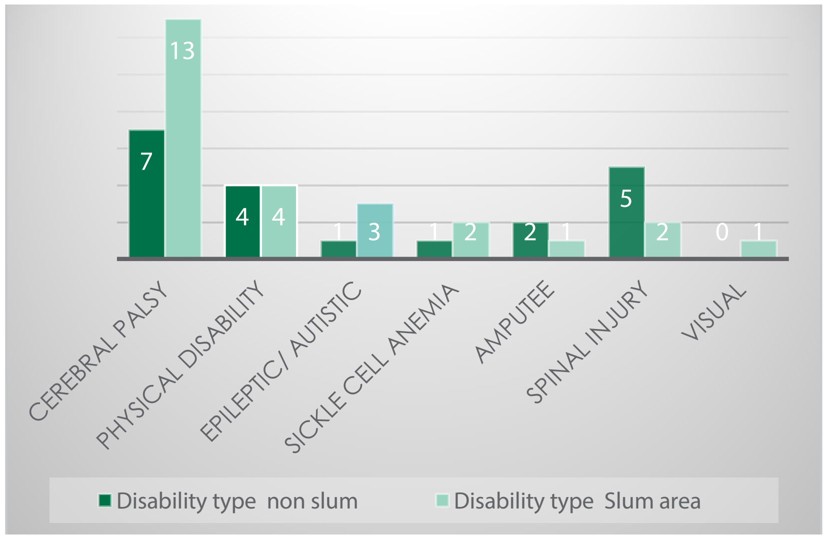

Figure 5: Forms Of Disability In Sampled Population

Inclusion criteria

The principal eligibility criterion used for the PWSD cash transfer, is, as its title implies, based on the presence of a PWSD in a household. The MoLSS targeting manual defines a PWSD as one who permanently requires assistance to meet toiletry needs, feeding, protection from harming themselves or others as a result of disability. The study revealed a range of conditions that qualified an individual as a PWSD (Figure 5). Cerebral palsy was the most common, particularly amongst beneficiary respondents in the slum-based households. Cerebral palsy refers to a range of motor disorders arising from a non-progressive defect or damage to the developing brain in a baby or infant. Motor disability ranges from minimal to profound, and there are increased risks of intellectual, speech, vision, hearing, endocrine and urogenital impairments and epilepsy, which can greatly contribute to overall disability. Study findings revealed that beneficiaries with cerebral palsy spend as much as 75 per cent of the cash transfer on medication. Most also need full time care reducing the ability of the caretaker to engage in income generating activities. Given the wide variation in disability and severity, refinement of the inclusion and ranking criteria for PWSD is suggested particularly since the number of beneficiaries is only a subset of the total PWSD population in Nairobi County as is the case in other 46 counties.

TABLE 1 NUMBER OF BENEFICIARIES AND AMOUNT IN KES FOR THE PWSD CASH TRANSFER PROGRAMME

Financial year	Amount Kenya Shillings	Number of beneficiaries
2010/11	20,000,000	100
2011/12	385,000,000	14,700
2012/13	770,000,000	27,200

Source: GOK 2013

Transfer Amount

In the 2011/12 financial year the Government of Kenya spent 0.3 per cent of its total budget on social protection; this proportion has since increased to 0.5 per cent and 0.8 per cent in 2012/13 and 2013/14 respectively. This positive trend is also seen in the allocation for the PWSD cash transfer.

While this is a positive trend, inflation can easily change "benefits for the poor" into "poor benefits". Kenya's inflation is high and has been estimated at 3.92 per cent, 14 per cent and 9.40 per cent for the years 2010, 2011 and 2012 respectively. This suggests that the purchasing power of the KES 2,000 cash transfer has lost value over time. Using the gross domestic product (GDP) deflator for the same years (estimated at 1.78 per cent, 1.98 per cent and 2.14 per cent for the years 2010, 2011 and 2012) allows for analysis of the change in purchasing power. After applying the GDP deflator on the monthly transfers, the KES 1,500 given in 2011 is equivalent to KES 757 and the KES 2,000 provided in 2012 is equivalent to KES 935. This suggests that the benefits derived from the cash transfer have decreased over time. For the cash transfer to be of value to PWSD households, it needs to enable households to cover the most basic needs to care for PWSD.

Conclusion

Many governments, including Kenya, have increasingly adopted cash transfers as a strategy for social protection. Cash transfers are considered a means to realizing the principal objective of social protection programmes which is long-term poverty reduction in order to reduce intergenerational transmission of poverty and facilitate shorter term livelihood protection. The success of a social protection programme is determined by, amongst other factors, how well the programme targets the intended beneficiariesv as this improves financial efficiency and the ability to meet intended protection objectivesvi. Targeting remains one of the most difficult problems facing those trying to implement social protectionvii.

The targeting approach used by the PWSD cash transfer in Kenya faces similar challenges as those noted in the social protection literature. An analysis of income levels and spending patterns of sampled households, suggests that the quota system used to allocate beneficiaries across constituencies results in inclusion as well as exclusion errors. Similarly, the community-based targeting mechanism also introduces biases. These errors result in programme inefficiencies and dilute the social protection objectives of the transfer. While the Government of Kenya's intentions are commendable, they could be guided better so that benefits reach intended households and individuals. For benefits to provide meaningful benefit, they need to be calibrated to retain the purchasing power of the transfer.

Recommendations

The following recommendations have been formulated for consideration by the MoLSS and other stakeholders. While it is acknowledged that only a proportion of potentially eligible beneficiaries are currently enrolled in the cash transfer programme (based on severity of disability and poverty), recommendations focus on inclusion, targeting and the transfer amount as getting this foundation right can inform scale up of the transfer.

Inclusion criteria: A review of the definition of severe disability and categorization of disabilities used by the cash transfer programme is recommended in line with international standards, e.g. the United Nations Convention on the Rights of Persons with Disabilities. Simultaneously, a review of the definition and classification of poverty (both urban and rural) is also recommended. The process and tools used for screening should be recalibrated based on this review in order to refine inclusion and exclusion criteria. Refinement of roles and the inclusion of other stakeholders active in the sector should also be considered as part of the review as well as coordination with other sectors involved with social services.

Targeting approach: It is recommended to review the current form of geographic targeting as this does not reflect existing vulnerabilities or their distribution. Rather than use a quota system across constituencies, the number of beneficiaries should be determined based on more specific parameters such as the population of persons with disabilities, poverty levels and level of need (based on screening). The community-based targeting approach should also be reviewed given that this is prone to manipulation, inclusion as well as exclusion biases.

Transfer amount: It is recommended that the cash transfer amount of KES 2,000 is reviewed to account for inflation. This review should also put into consideration additional disability related costs so that the transfer adequately caters for PWSD basic care requirements. A mechanism for regular review of the transfer amount should be put in place so that benefits for poor PWSD do not become poor benefits over time.

i. International Budget Partnership, 2015. Budget Analysis, retrieved 12/1/2015 from http://internationalbudget.org/budget-analysis/.
ii. Davies, M., 2009. DFID Social Transfers Evaluation Summary Report. Institute of Development Studies, Centre for Social Protection, University of Sussex, Brighton, UK.
iii. The first social protection programmes in Kenya were the National Social Security Fund and National Hospital Insurance Fund which, commissioned in 1965 and 1966 respectively.
iv. Republic of Kenya, Ministry of Gender, Children and Social Development, 2011. Kenya National Social Protection Policy, Ministry of Gender, Children and Social Development, Nairobi, Kenya.
v. v Institute of Development Studies, 2011. Lessons from Social Protection Programme Implementation in Kenya, Zambia and Mongolia. Institute of Development Studies, Brighton, UK.
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