

Effect of Coverage of The Cash Transfer Programme on Socio - Economic Wellbeing of The Aged Persons in Igembe Sub County, Kenya

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ABSTRACT

Established in 2006, the Old Persons' Cash Transfer Program aims to relieve poverty among the older population, particularly those who are living in severe poverty. In this research, the main objective was to identify the variables that contribute to the success or failure of this program, as well as to offer suggestions for improvement. Kenya and other nations engaged in comparable programs would benefit from this research because it assists them in making the best use of the limited resources available to them in order to achieve better outcomes. The study objective was to determine the coverage of the cash transfer programme financial management provided to beneficiaries on the socio-economic well-being of elderly people in Igembe south sub-county. 238 respondents were used in this survey using a descriptive research methodology and systematic random sampling. A questionnaire and in-person interviews were used to gather primary data. The data was edited, coded, transcribed, and then cleaned. The Statistical Package for Social Science (SPSS) version 20 was used in data analysis and the results were presented in tables and figures. A correlation analysis was also done on the responses to determine the extent of variables relationship. The study showed that both the beneficiaries and the programme office were satisfied with the mode of cash transfer and the policies put in place to ensure proper usage of the funds. The study also recommended cash transfer programmes assisting elderly people should be reviewed on a yearly basis to see that the amount offered is conducive to the prevailing cost of living and inflation. If this is not done, the amount offered may be too little to carry out any meaningful activity line venturing into businesses; hence the beneficiaries would just use it all for food and ask for more. Transporting cash to various parts of the country could be delayed due to the logistical arrangement around security and unfavourable weather. Mobile money transfer is also affected by the fact that most beneficiaries are very poor and do not own mobile phones.

Background of the study

The increasing number of old people in various nations across the globe presents new difficulties to the governments of these countries. When the birth rate declines and life expectancy rises, rapid demographic changes in a country's population have a significant impact on its economic and social development. This is especially true during a time of economic crisis, when the effects of rapid demographic changes become more acute and prominent. In recognition of the fact that this group is prone to falling into the poor and hard core poor categories, many countries have implemented policies to increase employment opportunities for the elderly, formalize the pension system, and improve social protection and safety nets for the elderly in recent years (Samad & Mansor, 2013).

The origins of social protection programs may be traced all the way back to the Western world. Countries like the United States, the United Kingdom, and Germany have benefited from successful implementation of social protection interventions that have aided in the achievement of the Millennium Development Goals, which include the eradication of extreme poverty and hunger, the promotion of gender equality and female empowerment, a reduction in child mortality, and the prevention and treatment of AIDS. Despite the fact that both developed and developing countries' social protection programs have grown in number and scope, most developing and emerging economies still have nascent systems, and only a small portion of all such efforts is directed toward the specific vulnerabilities and needs of older people (Babu, 2020).

Cash transfers in Malawi have had a dual impact on the local economy, with a regional multiplier effect ranging from 2.02 to 2.45 times the amount of money sent in each transfer (Davies & Davey, 2008) While Zambia has shown signs of economic development, according to a research, more than three-quarters of cash transfers were spent locally, improving the country's economy, there is still space for improvement.

According to the Kenyan Constitution (2010), elderly people are defined as those who are 60 years or older. The OPCT program, on the other hand, was designed for those 65 years and older, and it has met other requirements such as economic status, geographic location, and the fact that they should not be recipients of another CT program. According to the 2009 Kenya Population and Housing Census, there were 1.3 million individuals over the age of 65, whereas 20.6 million people are between the ages of 15 and 64, implying that just a handful of people would pass the 65-year-old threshold each year. Based on a report by the National Gender and Equality Commission (2014), Kenya has a commitment to social protection entrenched in its Constitution, which affirms the right of every individual to social security and commits the government to provide adequate social security. The social protection strategy was established in 2011 and, among other things, stresses the need of social protection in old age, whether via contributory benefits aimed at preserving an individual's income or non-contributory benefits aimed at decreasing poverty and vulnerability.

Statement of the problem

The use of social cash transfer allocations by older people in Kenya has gotten little attention in the research community thus far. Rather than examining how beneficiaries use their OPCTP allocation, researchers (Kimosop 2009) who have studied the OPCTP both inside and outside Kenya have concentrated on the disbursement, adequacy, and impact of the fund, rather than the utilization by beneficiaries of their OPCTP allocation. This is despite the fact that the government has increased the fund's yearly budget allocation, which has resulted in an increase in the individual monthly distribution for the recipients.

One of the goals of social cash transfer programs is to assist recipients in meeting their most basic requirements, which includes food and shelter. Consequently, if the money is not utilized to fulfill fundamental requirements and is instead spent on other things, a variety of issues are likely to emerge. First and foremost, the condition of elderly people in society would continue to deteriorate as a result of excluding them from participation in community development initiatives. Second, the government would wind up squandering a significant amount of money that might have been spent on more important development initiatives, such as the establishment of social institutions, instead. Finally, it would cause funders to be wary of supporting future comparable programs for fear of getting the same outcomes as before. This project was to make an effort to close the gap in the existing research in this area. The impact of the unrequited old age pension system on the socio-economic well-being of the elderly and their families in Igembe South Sub County, Kenya, was specifically investigated.

Purpose of the study

The purpose of this study was to examine how coverage of the cash transfer programme affects socio-economic wellbeing of the aged persons in Igembe sub county, Kenya.

Justification of the Study

When attempting to comprehend the potential consequences of proposed schemes, evaluations are essential because they can assist policymakers in deciding on key design elements of a cash transfer program, such as the order of magnitude of transfers required to achieve the desired impacts, as well as the targeted areas and elderly groups. The findings of this study were important to policy makers in making sure the programme was run at optimal efficiency and that its objectives were met. It will also be important for future programmes that may be put in place for other groups of beneficiaries. This research was to give the researcher a competitive

advantage in programme evaluation and a new way of viewing social protection assistance given to various vulnerable people in the society. The study also provided relevant and practical information to future researchers who wish to build on this research. It provided a great insight for various other researches that were carried out to improve on cash transfer programmes.

LITERATURE REVIEW

Theoretical framework

Critical theory of ageing

Critical theory has its roots in social criticism and is concerned with the potential of positive and freeing social change as well as the emergence of consequences (Lincoln & Guba, 2000). It is beneficial in developing a comprehensive knowledge of the many ways in which current policies and processes may have an effect on the older population. It may also be utilized to broaden the scope of the investigation and examine the impacts of social issues such as ageism, contemporary attitudes and reactions related to aged care services, human rights, and the pressures of global capitalism, among others. Accordingly, this study's theoretical framework is important since the study's objective is to investigate Kenya's social protection policies in connection to the older people cash transfer program, with a particular emphasis on the Igembe south sub-county of Meru County. Moreover, what effect this cash transfer program has had on the elderly in that sub-county.

Empirical Literature

Cash transfer programs in Kenya are presently in the pilot or early roll-out phases, with none of them being implemented on a countrywide basis at this time (Hanlon, Barrientos and Hulme, 2010). A further advantage, according to the authors, is that they are largely supported by the donor community, particularly the United Kingdom Department for International Development (DFID) and the United Nations Children's Fund (UNICEF), and that they promote the interests of specific geographical and demographic groups rather than targeting people solely on the basis of their poverty. Three main cash transfer programs exist in Kenya: one for children, one for the elderly, and one for those who are forced to live on the streets in the country's arid areas. According to the ministry of gender website, the Kenya OPCT programme was launched to benefit the elderly who were above 65 years old, live with disability, extremely poor and severely ill in Thika and Nyando districts (Ministry of Gender, Children and Social Development, 2009). Targeting was carefully done to reach all those who fitted within the selection criteria in the regions of operation. The programme is intended to cover the whole country but is hampered by inadequate funds. The total number of beneficiaries of the OPCT programme in Kenya using the most recent figure is 36000, which is 12% of the estimated total population of the elderly above 60 years. To improve the evidence basis for the success of financially inclusive payment arrangements for cash transfer programs, rigorous evaluation methods are required. More study is required to monitor how transfer beneficiaries utilize financial services when they are made available to them, as well as to demonstrate the cash transfer value from the viewpoint of financial inclusion. The private sector has the potential to be a valuable partner (especially in Africa), and evidence and knowledge of the most effective ways for them to participate must be improved (Wiseman et al, 2010). As a result, although there is a compelling argument for boosting public expenditure on cash transfers in LICs, which is presently at historically low levels, competition with other key developmental sectors (such as infrastructure, health, education, and so on) will be fierce. Rather than occurring over a short period of time, the shift to substantially greater levels of transfer expenditure is more likely to take place over an extended period of time (Barrett, 2006). Rather than introducing different forms of transfer at the same time, it is likely that policymakers will need to introduce different types of transfer sequentially rather than simultaneously, and begin with limited coverage and small benefit levels that can be gradually increased over time as the economy develops.

Conceptual Framework

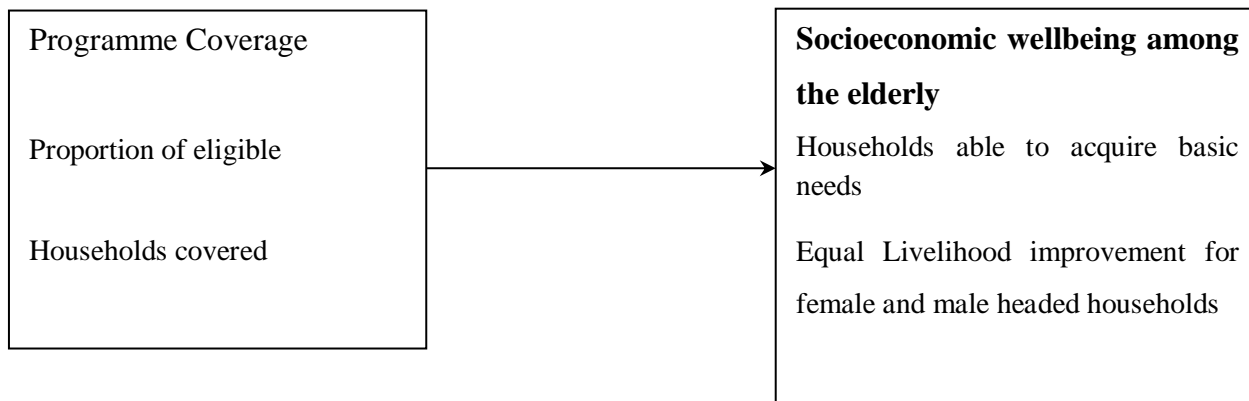


Figure 1: Conceptual Framework

Research Design

The study used a descriptive research strategy for this study, which attempted to identify variables that were linked to specific results, circumstances or incidents that occur or kinds of behavior that are seen in relation to the study. As defined by the American Psychological Association, descriptive research is a scientific method to inquiry in which data is gathered and evaluated in order to explain the present circumstances, concepts, or connections surrounding an issue (Mugenda & Mugenda, 2003).

Target Population

The target population was 566 beneficiaries who have been on the programme for a period of at least one and a half years in Igembe South Sub County and 4 OPCT programme officers from the 4 wards namely Maua, Kiegoi/Antubochiu, Athiru Gaiti and Kanuni Ward.

Sampling Procedures and Techniques

The research used stratified random sampling as a method of recruitment. As defined by Kothari (2004), sampling method is the process of choosing a sample of respondents for a research project. The target population was split into two strata, one of which was to include the beneficiaries of the program and the other of which was to include the program's administrators.

An optimal sample size of 234 is suitable for a study population of 566 beneficiaries, and all four OPCT program officers in the wards are included in the sample size calculation.

Research Instruments

Data was collected through an interview guide to the beneficiaries due to their levels of education and questionnaire for the programme officers. Questions on the surveys were both open ended and closed ended, depending on the situation. It was designed in accordance with the research objectives and consisted of two sections: the first section sought to obtain personal information from respondents, and the second section was to contain information on the study variables. An interview guide was to also develop in accordance with the research objectives to aid in the recruitment of respondents.

Data Analysis Techniques and Procedures

Cleaning of collected data was done by the researcher before analysis by doing the corrections or removal of data that had error due to contradictions, duplications, answers that were ambiguous and incomplete information.

Descriptive analysis of data consists of frequencies and percentages for the respondents' responses and overall mean scores, standard deviations and rankings of responses according to the level of agreement in each group of questions. With regard to inferential analysis, analysis of variance, in causal-comparative design such as the current study, t-tests, analysis of variance (ANOVA) and its variations were used. The most appropriate statistical tests for this study were the paired-samples t-test and the different variations of ANOVA. All the analyses were conducted with the aid of the Statistical Package for Social Sciences (SPSS).

Response rate

A total of 238 questionnaires were administered and personal interviews conducted with 186 returned when dully filled. This represented a response rate of 78.15% and according to Mugenda and Mugenda (2013) this was sufficient for the study results and findings and was as presented on Figure 2.

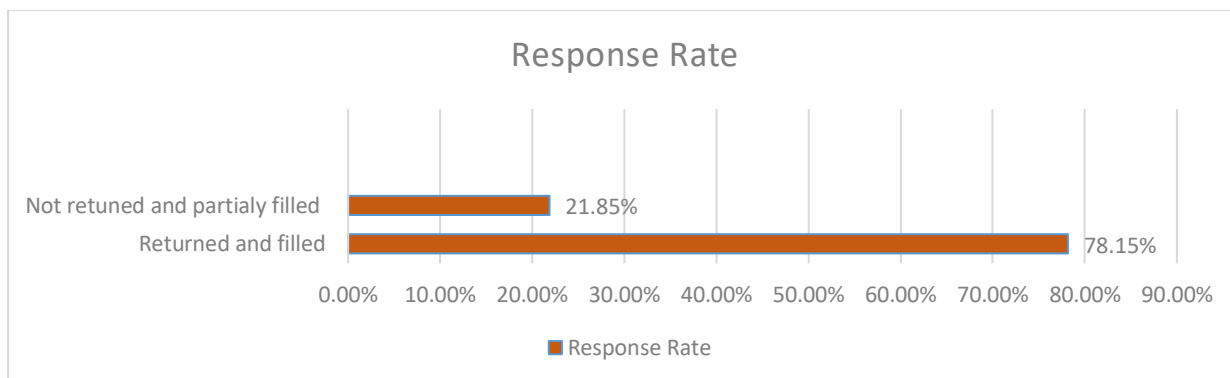


Figure2: Response rate

Coverage of the Programme and socioeconomic well-being of aged persons

The objective of this study was to examine how coverage of the cash transfer programme affects socio-economic wellbeing of the aged persons in Igembe sub county, Kenya.

The beneficiaries were asked if they knew of any other old person whom they perceived to be in this category and needed assistance like the one they received, their responses were noted on figure 3.

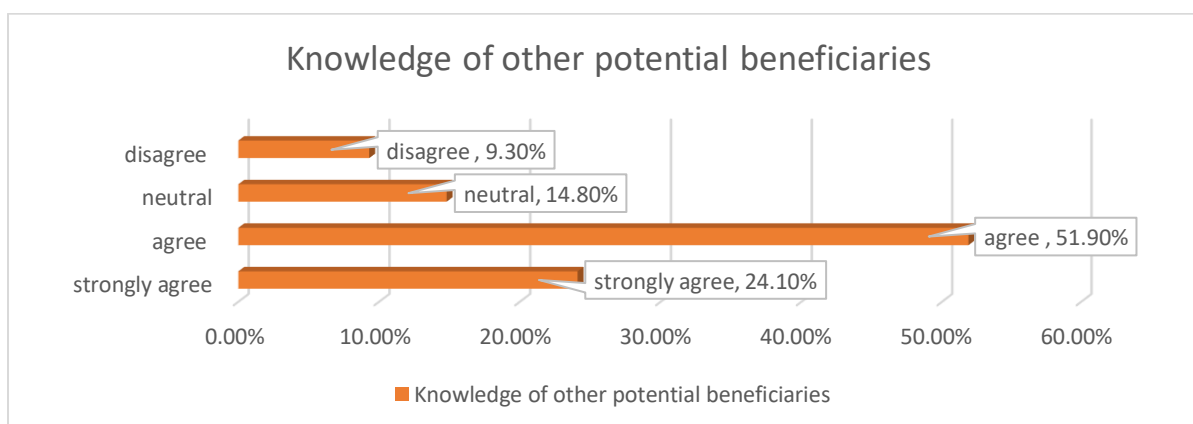


Figure 3: Knowledge of other potential beneficiaries

As noted in figure 3, 24.1% strongly agreed, 51.9% agree, 14.8% were neutral and only 9.3% disagreed. This clearly showed that within their environment, there were many aged people who needed assistance. Confirming this, all the officials interviewed confirmed many more beneficiaries were not yet enrolled in the programme, mainly due to limited funding. The programme officials interviewed further confirmed that the beneficiaries were selected through a rigorous exercise involving participation by the village elders and where the public were not pleased; a review was done through a committee of the programme officials who sat in every region in the country.

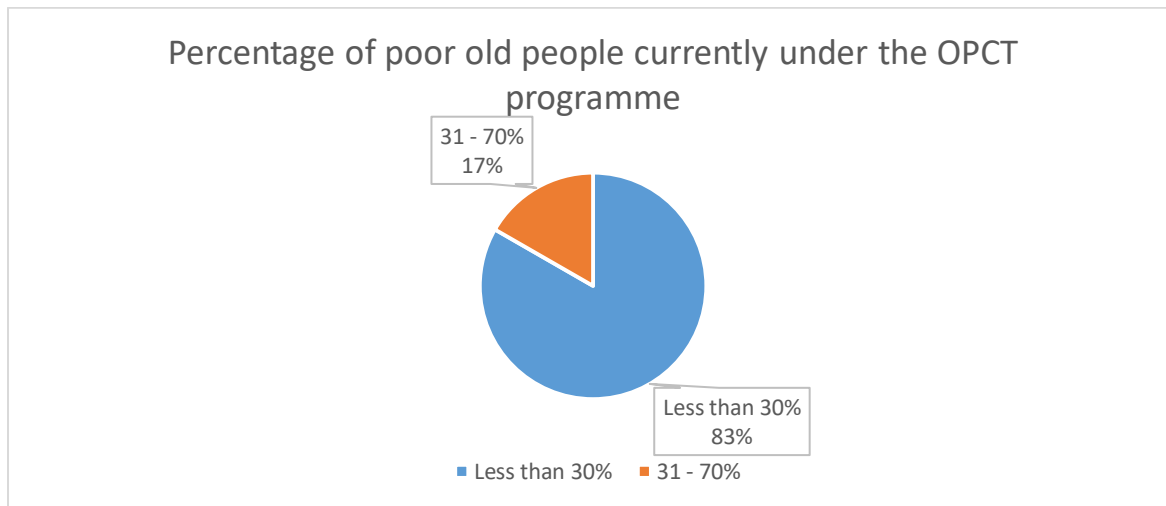


Figure 4: Percentage of poor old people currently under the OPCT programme

This statement was confirmed as shown in figure 4 where 83 % of the officials who responded noted that only less than 30% of potential beneficiaries were enrolled while 17% of the respondents put the number enrolled to be between 31% and 70%.

There are however other programmes that could benefit the others, such as the Orphans and Vulnerable Children programme that could take care of the orphaned children living with these aged people and the People Living with Disability programmes that could take care of the disabled old people. Selection into these programmes also had their own criteria and challenges such as lack of funds which possibly saw some of them still locked out.

The study sought to establish the percentage of the potential beneficiaries who are enrolled to other programmes. The responses were presented in figure 5.

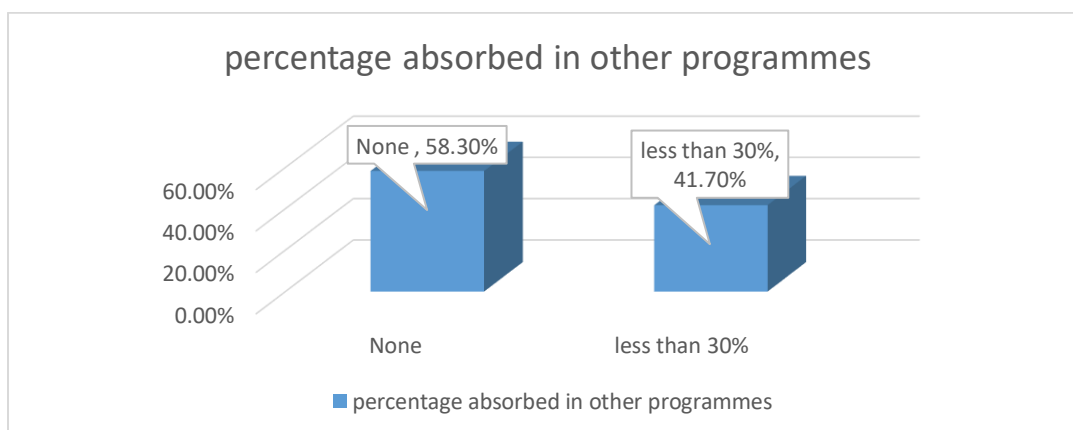


Figure 5: Potential beneficiaries enrolled on other programmes other than OPCT programme

Findings from the programme officials revealed that the OPCT programme had tried to engage the other programme offices to come into the rescue of some of the old people not selected into the OPCT programme. 41.7% of the respondents said less than 30% of those they had recommended to other programmes had been absorbed with 58.3% saying none had been absorbed into other programmes as per suggested in figure 5.

On recruitment of new beneficiaries, all the programme officials noted that recruitment of new beneficiaries took place frequently and was not restricted to defined durations. Those left out were encouraged to be patient to wait for future selection exercises that occurred frequently, however not within a defined timeline as noted by all the programme officials interviewed. The last recruitment was done in December 2021 to January 2022.

4.6 Correlation Analysis

To explore the existing relationships between study variables correlation analysis was used to detect any dependence. Pearson's correlation analysis was used to measure the statistical dependence of independent variables and dependent variables.

Table 1 presents the correlation analysis for effects of cash transfer programme on socio-economic well-being of aged persons.

Table 1: Correlations for cash transfer programme and socio-economic well-being of aged persons

	Socio-economic wellbeing	Proportion of eligible	households covered	Coverage
Socio-economic wellbeing	1			
Proportion of eligible	.608** .000	1		
Households covered	.510** .000	.459** .000	1	
Coverage	.546** .000	.710** 000	.535** .000	1
** Correlation is significant at the 0.01 level (2-tailed)				

Source researcher (2022)

Results in table shows that Proportion of eligible was a significant item for the socio-economic well-being of aged persons ($r=0.608$, $p<0.1$). Households covered were a significant item for the socio-economic wellbeing of aged persons ($r=0.510$, $p<0.1$). Coverage was a significant item for the socio-economic wellbeing of aged persons ($r=0.546$, $p<0.1$).

Regressions for Programme Coverage and socio-economic well-being of aged persons

Table 2 presents the regression analysis for Programme Coverage and socio-economic well-being of aged persons.

Table 2: Model Summary for Programme Coverage and socio-economic well-being

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.666	.444	.428	.24520
a. Predictors: (Constant), Proportion of eligible households covered coverage.				

Sources researcher (2022)

The table 2 shows that Programme Coverage account for 42.8% of the effects in the socio-economic wellbeing of aged persons.

Regression analysis

Table 3 presents the regression analysis for effect of Programme Coverage of aged persons on their socio-economic wellbeing.

Table 3: ANOVA for effect of Programme Coverage on socio-economic wellbeing

Model	Sum of Squares	df	Mean	F	Sig.
1 Regression	5.033	3	1.678	27.903	.000
Residual	6.313	105	.060		
Total	11.346	108			
a. Predictors: (Constant), Proportion of eligible households covered coverage					
b. Dependent Variable: socio-economic wellbeing					

Sources researcher (2022)

The table 3 shows the ANOVA for (Proportion of eligible, households covered coverage) and the socio-economic wellbeing of aged persons. The high tally of the F variance 27.903 df (3,105) and $p < 0.01$ indicates that the regression model and analysis was appropriate for the study.

Table 4: Coefficients for effects of Programme Coverage on socio-economic wellbeing

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std Error	Beta	t	sig
1 (Constant)	2.496	.200		12.486	.000
Proportion of eligible households covered	.240	.062	.403	3.864	.000
Coverage	.127	.042	.260	2.996	.003
	.062	.056	.120	1.097	.275
a. Dependent Variable: socio-economic wellbeing					

Source researcher (2022)

Table 4 offers the regression analysis for effects of Programme Coverage on socio-economic wellbeing of aged persons. The study shows that Proportion of eligible and households covered are significant to socio-

economic wellbeing of the aged persons in Igembe South sub county at 1% level of significance, p-value <0.1, while coverage was insignificant to socio-economic wellbeing of aged persons with p value that was >0.1. The results gave the study a simple regression equation of:

$$\text{Socio-economic wellbeing} = 2.496 + 0.240 \text{ Proportion of eligible} + 0.127 \text{ households covered} + 0.062 \text{ coverage} + \varepsilon$$

The results indicated that for every individual unit increase in mode of disbursement, there would be a resulting 2.4 unit increase in the socio-economic wellbeing. The findings also showed that for every individual unit increase in funding conditions, there would be a resulting 0.127 unit increase in socio-economic wellbeing.

Summary of the Results

A cumulative 75% of the beneficiaries who were interviewed confirmed that they had knowledge of other older people they perceived to be poor and could qualify for selection into the programme. In addition, the officials also confirmed that only less than 30% of identified poor elderly people were currently benefiting from the programme. Lack of funds has greatly hampered the coverage of the OPCT programme. This has necessitated a deliberate effort to make the beneficiaries self-reliant, hoping that those who are strong enough would get back on their own feet and give room to other more deserving elderly people. This, as stated by some of the officials, is proving difficult as these beneficiaries are quite old and some are sickly or disabled, criteria which largely informed their selection process.

Conclusion

Mobile money transfer is used but is very limited to a few of the beneficiaries who have mobile phones. It is praised to be timely but involves extra cost incurred by the Government in sending the money. The respondents asked for an increment on the amount of money provided to match the high cost of living.

Recommendations

To increase coverage of the programme, the potential beneficiaries who are still not engaged in the programme should be encouraged to form small and manageable investment groups where they can be funded to engage in income generating activities.

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