

# **THE CONTRIBUTION OF SOCIAL CASH TRANSFERS ON THE LIVELIHOOD OF VULNERABLE HOUSEHOLDS IN KIBOGA DISTRICT, UGANDA**

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## Introduction

Over 1.2 billion people worldwide live on less than \$1 a day. An estimated 900 million people will still be living in poverty even if the Millennium Development Goals are reached (UNICEF, 2011). To curb this situation, ILO (2009) points out that a social protection floor consisting of a basic package of social transfers is critical to mitigate the poverty and welfare fall-out of the crisis, while at the same time providing a significant stimulus to the economy.

This study assessed the contribution of social cash transfers--one of the forms of social protection, on livelihood of vulnerable households in Kiboga District. Livelihood was considered the dependent variable, whereas social cash transfers the independent variable. The current chapter comprises of the background, problem statement, purpose, objectives, significance, justification and scope of the study.

### **1.4 Objectives of the study**

The study aims at achieving the following objectives:

1. To determine the contribution of target of social cash transfers on the livelihood of vulnerable households in Kiboga District.

2. To examine the contribution of accessibility of social cash transfers on the livelihood of vulnerable households in Kiboga District.
3. To establish the contribution of delivery of the social cash transfers on the livelihood of the vulnerable households in Kiboga District.

### **1.5 Research questions**

1. How does target of social cash transfers contribute to livelihood of vulnerable households in Kiboga District?
2. How does accessibility of social cash transfers contribute to the livelihood of vulnerable households in Kiboga District?
3. How does delivery of social cash transfers contribute to the livelihood of vulnerable households in Kiboga District?

### **1.6 Hypotheses of the study**

1. There is no contribution of target of social cash transfers to livelihood.
2. There is a positive contribution of accessibility of social cash transfers to livelihood.
3. There is a contribution of delivery of social cash transfers to livelihood.

### **1.8 Justification of the study**

The purpose of this study was to assess the contribution of social cash transfers on the livelihood of vulnerable households in Uganda. Although social protection policies have been identified in recent years as one potential approach for overcoming the multiple causes of persistent poverty and rising vulnerability in developing countries, it is not yet known the best approach to use in

order to deal with it. Therefore, in this study the researcher assessed the contribution of one of the strategies—social cash transfers, among the vulnerable households.

The research design used in the study was the cross-sectional survey design. This was selected because the study aims at collecting information from a large sample of respondents about the attitudes, concerns, preferences and practices (Amin, 2005) regarding contribution of social cash transfers to livelihood among the vulnerable households.

The study employed both qualitative and quantitative methods of data collection; in this case primary data was collected using questionnaires and interviews for the respondents.

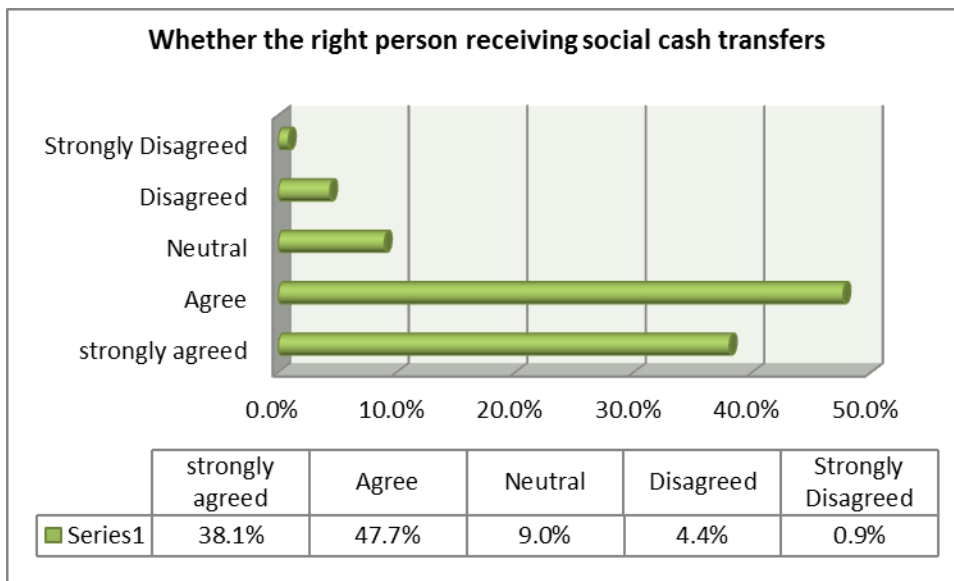
The researcher obtained the above data from interview guide and questionnaire responses. The data was cross-checked, sorted and edited to eliminate errors. The descriptive statistics such as frequencies and means were generated aimed at creating categories which were used as supplements to the quantitative data.

### *3.11.2 Quantitative Analysis*

The instruments were checked for completeness and accuracy. The researcher assigned codes to all questions under each variable, assigned numeric numbers to the responses to each question. Following the coding on the questionnaires, a variable view entry was created using the statistical Package for Social Sciences (SPSSv19) computer programme; after which raw data was entered into the data view entry. The data was cleaned, ensuring proper entry then analysed. Descriptive and inferential statistics were used to analyze the quantitative data captured.

## Findings

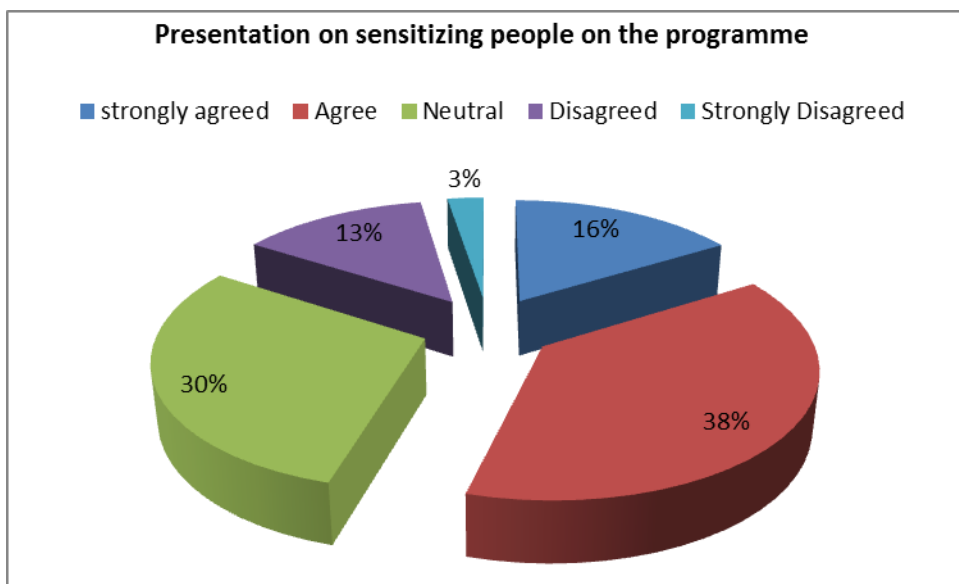
The respondents were asked whether the right people are receiving social cash transfers, 3 (0.9%), strongly disagreed, 15 (4.4%) disagreed, 31 (9.0%) were neutral, 164 (47.7%) agreed and 131(38.1%) strongly agreed. The majority agreed to the social cash transfers reaching the right beneficiaries—the elderly.



The parish chief informed the researcher that “*the target group which is from 65+ years happened to be the most vulnerable and marginalized by other projects; finally are receiving this money and are at least living decent lives*” implying that these social cash transfers are relevant and contribute to livelihood of vulnerable households in Kiboga District.

On whether the selection process of the cash transfer is fair, 2(0.6%) strongly disagreed, 12 (3.4%) disagreed, 56 (16.3%) were neutral, 194 (56.4%) agreed and 80 (23.3%) strongly agreed. This showed that most of the respondents agreed to the selection process of the social cash transfers and the right people were accessing the money.

When it came to the Local leadership adequately sensitizing every one about the programme; 56 (16.3%) strongly agreed, 131 (38.1%) agreed, 102 (29.7%) were neutral, 46 (13.4%) disagreed, 9 (2.6%) strongly disagreed. This clearly shows the local leadership are transparent about the SAGE programme. SAGE implementers informed the researcher that strategies are in place to ensure that beneficiaries and communities are informed about the programme.



The Senior CDO said, *“I have done a lot towards the SAGE programme in differing sub counties, this has been through holding meetings, mobilizing SA **Presentation on sensitizing people on the programme***

*GE beneficiaries for payments from sub counties to villages to pick their money*". This showed that the communities were sensitized and a good number of them are aware of the programme information.

When respondents were asked if there were people who should have received the grant but don't, 71 (20.6%) strongly disagreed, 93 (27.0%) disagreed, 84 (24.4%) were neutral, 70 (20.3%) agreed and 26 (7.6%) strongly agreed. From this analysis the biggest percentage disagreed, clearly implying that those intended for the social cash transfers receive it although we cannot totally ignore the few cases that agree with the statement. One of the key informants who happened to be the SAGE implementer informed the researcher *"the selection process for the beneficiaries is done following a clearly cut out procedure and I believe the right people access the social cash transfers, with a few cases eligible cases excluded because they did not register themselves for the programme which happens once a year"*. What this meant was that the selection process was fair, although given the balance between the scores it still leaves a lot to be desired regarding whether there are people who should have received the grant but don't.

Asked whether their families have been changed by their inclusion in the programme, 169 (49.1%) of the respondents strongly agreed, 151 (43.9%) agreed, 12 (3.5%) remained neutral, 5 (1.5%) disagreed and 7(2.0%) strongly disagreed. This clearly revealed that the SAGE programme had considerably benefited the elderly and vulnerable households. One of the elderly respondents was quoted saying *"I don't have any ill words or feelings towards this programme. With the money I have a decent life, send my grandchildren to school and always have food to eat."*

And lastly 97 (28.2%) strongly disagreed to knowing people who receive the grant but should not, 97 (28.2 %) agreed, 84 (24.4%) remained neutral 46 (13.4%) agreed and 20 (5.8%) strongly

agreed. This implied that much as those intended to get the cash do, there are also some unintended beneficiaries in the SAGE programme. One of the SAGE implementers was quoted saying, “.....most of these errors of wrong inclusion is because most people in the communities don't have birth documents that can prove their age, so registration is by word of mouth and help from the communities themselves.”

The findings show that, SAGE ensured the selection process of those to receive social cash transfers was justified and fair, and the right people were receiving the social cash transfers. The study further revealed that the local leadership adequately sensitized every one about the programme, intended people were receiving social cash transfers and majority of elderly had benefitted from inclusion in the programme.

**Table 1: Correlation between target and livelihood of vulnerable households**

		LIVELIHOOD OF VULNERABLE HOUSE HOLDS	TARGET
LIVELIHOOD OF VULNERABLE HOUSEHOLDS	PEARSONCORRELATION  Sig .(2-tailed)  N	1   344	.092  .087  344

TARGET	PEARSONCORRELATION	.092	
	Sig .(2-tailed)	.087	
	N	344	344

Correlation is significant at the 0.05 level (2-tailed)

The table above shows the relationship between target of the social cash transfer and livelihood of vulnerable households. It shows that there is a very weak positive relationship between the two variables. It meant that target has little impact on livelihood of vulnerable households since  $r = 0.092$  at significance level of  $0.087(2.tailed)$ .

Accessibility and livelihood of vulnerable households

**Table 2: Respondent views on accessibility**

NO		SD (%)	D (%)	N (%)	A (%)	SA (%)
1	The distance from home to the pay point is short	18.0	27.0	19.5	21.2	14.2
2	Reasonable time is spent at the queue at the pay-point	7.6	11.3	40.1	33.7	7.3
3	There are available transport means to the pay point	5.8	14.8	52.3	18.6	8.4
4	The transport costs to and from the pay point are high compared to the transfer	16.0	18.9	27.3	28.5	9.3



5	Transfer is given in loose change required for use	3.2	1.2	2.6	70.6	22.4
6	Alternative recipients require you to make some in-kind payment for the support rendered	79.4	13.7	2.3	3.2	1.5

**Source: Primary data**

Table 10 above represents the respondents' views on accessibility of social cash transfers. The study used six (6) questions to capture the respondents' views and was based on the Likert scale.

Respondents were asked whether the distance from home to the pay point was short; 62 (18.0 %) strongly disagreed, 93 (27.0%) disagreed, 67 (19.5%) remained neutral 73 (21.2%) agreed and 49 (14.2%) strongly agreed. The results show that the distances to the pay-point are long because majority disagreed with the statement which said they were short hence some considerable time is spent on the way the pay point. The parish chief noted that, *“some of the elderly come from faraway places about 12kms, so the money which got is spent on transport costs.”* Furthermore an elderly woman was heard saying, *“I have a problem of transport from my home to the sub county*

Multiple linear regression for independent variables

**Table 3: Multiple linear regressions for target, accessibility and delivery**

MODEL	R	R.SQUARE	Adjusted R square	Std. Error of the Estimate
TARGET	.092 <sup>a</sup>	.009	.006	2.95170

ACCESSIBILITY	.070 <sup>b</sup>	.005	.002	2.95708
DELIVERY	.335 <sup>a</sup>	.113	.110	2.79256

a) Predictors (constant)target, accessibility, delivery

b) Dependent variable livelihoods of vulnerable house holds

The results of multi linear regression analysis in table above shows the following (a) 0.9% of the observed livelihoods of vulnerable households depend on target ( $R^2=0.9\%$ ;  $p<0.01$ ). This signified that 0.9% of the variance in livelihoods of vulnerable households has been explained by target of social cash transfers. (b) 0.5 %of the variance in livelihoods of vulnerable households has been explained by accessibility of social cash transfers ( $R^2 =0.5\%$ ;  $p<0.01$ ). (c) 33.5% of the variance in livelihoods of vulnerable households is explained delivery of social cash transfers ( $R^2=33.5$ ;  $p<0.01$ ).

The results of the regression analysis generally indicate that the combined effect of target, accessibility and delivery of social cash transfers on livelihoods of vulnerable households is ( $R^2=34.9\%$ ;  $p<0.01$ ). The predictor valuables do not fit to be called deterministic modals since  $R^2$ is less than 50%. This implied that there are other factors that significantly impact livelihood or that need to work in combination with target, accessibility and delivery of social cash transfers to realize a very strong contribution among the vulnerable households in Kiboga district.

The following recommendations are made from the study and presented as per the objectives basing on the findings and conclusions;

#### Recommendations

Contribution of Target of cash transfers to Livelihood of vulnerable households

- The government through improvement of existing systems should work out a way of having proper birth and death registration, this way there is a proper record of citizens and their ages which would greatly reduce on the risk of exclusion and inclusion hence better planning.

- The government should also explore the option of delivering conditional social cash transfers in order to improve livelihoods in a holistic way, so that beneficiaries also have a part to play in development.

#### 5.5.2 Contribution of Accessibility of cash transfers to Livelihood of vulnerable households

- The government should think about an open access to these social cash transfers to beneficiaries so that they can pick their money as and when required, for example from mobile money agents, banks etc. for security purposes.

#### Contribution of Delivery of cash transfers to Livelihood of vulnerable households

- Biometrics system should be explored in the future in order to reduce on leakages, that is, fraud and corruption of beneficiary funds.