

Social Protection Budget Brief

Preface

This Social Protection budget brief is among five (5) budget briefs which seek to identify the extent to which the needs of children are addressed by the national budget and social sector budgets in Kenya. The brief offers insights on effectiveness, equity and adequacy of social protection spending. The main objective of the analysis is to put forth recommendations that can inform decision-making. The brief is organized into the following sections: Introduction; Social Protection Spending Trends; Cash transfers to orphans and vulnerable children; Cash transfers for persons with severe disability; Older persons cash transfer (OPCT) targeting those aged 65 years and above and *Inua Jamii* 70+ programme; Hunger Safety Net Programme (HSNP); and Implementation Strategy on key issues.

Key Messages and Recommendations

- (i) **Currently, government resources fully fund the social protection sector (100%), but at just 2 per cent of the overall budget, it remains a low investment priority.** Given that only a small portion (22%) of the eligible households are currently supported by social protection programmes, there is need to urgently increase allocations.
- (ii) **Despite progressive policy and institutional reforms within the social protection sub-sector, many programmes are heavily fragmented.** Domiciling these programmes under one coordination body could significantly improve the effectiveness of interventions. This can be achieved by expanding the mandate of the Social Protection Secretariat and establishing an integrated sector-wide approach to data and information systems.
- (iii) **Compared to other countries, cash transfers in Kenya are yet to have significant impact on poverty.** In addition to reviewing the benefit levels of different programmes, the government could continue its efforts to link cash transfer programmes with complementary programmes, including the National Health Insurance Fund (NHIF), nutrition support for young children, and covering other direct education costs that constrain children from poor households from attending school, key among them uniform and school feeding related costs.
- (iv) **The real values of cash stipends have fallen at an average rate of 12.5 per cent annually for the last five (5) years.** To maintain and enhance the impacts of these programmes, there is need to introduce an automatic inflation adjustment to the benefit values each year.
- (v) **The government has made great progress in streamlining payment processes of cash stipends to beneficiaries.** Nonetheless, ongoing challenges include disbursement delays from the National Treasury to line ministries.

Introduction

Social protection definition and sector overview

The Kenya National Social Protection Policy dates back to 2011. It defines social protection as: *“Policies and actions, including legislative measures, that enhance the capacity of and opportunities for the poor and vulnerable to improve and sustain their lives, livelihoods, and welfare, that enable income-earners and their dependents to maintain a reasonable level of income through decent work, and that ensure access to affordable health care, social security, and social assistance.”* While social protection encompasses social assistance, social security and social health, this brief focuses on social assistance and child protection.

The broad programme categories of social assistance implemented in Kenya include cash transfers and the school-based feeding programme. Some of the specific programmes under the State Department for Social Protection include: Cash Transfers to Orphans and Vulnerable Children (CT-OVC), cash transfers to persons with severe disabilities (CT-PWSD), the Older Persons Cash Transfer programmes (OPCT), and the Presidential Bursary for OVCs. Other programmes domiciled in other ministries, departments and agencies (MDAs) are in-kind assistance programmes (school feeding and provision of books); hunger safety net programme; homegrown school meals programme; and the health insurance fee waivers.

Kenya’s social protection sub-sector is an important strategy in poverty reduction because it aims to address inequities and promotes inclusion and social cohesion. The purpose of the interventions is to ensure that all Kenyans live in dignity. The National Safety Net Programme (NSNP) covers a total of 1.2 million households in the three cash transfer programmes (CT-OVC, OPCT and PWSD-CT). As at 2018/19, the cash transfer for orphans and vulnerable children (CT-OVC) had enrolled 353,000 households, representing 29 per cent coverage. The older persons cash transfer (OPCT) (targeting households with individual(s) aged over 65 years) and *the Inua Jamii* programme (targeting individuals aged 70 years and above) had 833,129 beneficiaries, representing a coverage of 78 per cent. The persons with severe disability cash transfer (PWSD-CT) had 47,000 beneficiaries, representing 3 per cent coverage. Therefore, besides the OPCT, the other cash transfer programmes had relatively large proportions of the eligible households that were not covered.

There are at least six (6) government ministries, departments and agencies (MDAs) involved in social protection. Nonetheless, there is no single coordination body that harmonizes and aligns all the programmes across these MDAs. Although the National Social Protection Secretariat has a coordination role, its operations are limited to the programmes implemented by the Ministry of Labour and Social Protection (ML&SP). The MDAs involved in social protection include: Ministry of Labour and Social Protection (ML&SP), Ministry of Health, Ministry of Education, Ministry of Environment, Water and Natural Resources, Ministry of Gender Planning and Development, Ministry of Sports and Culture, and the National Drought Management Authority.

Child protection

The 2010 Constitution of Kenya (Article 53) recognizes the need for all children to be protected from abuse, neglect, harmful cultural practices, all forms of violence, inhumane treatment and punishment, and hazardous or exploitative labour. It affirms that children have basic rights, including the right to education, nutrition, shelter, health care and parental care. These provisions are aligned with those cited in both the Convention on the Rights of the Child and the Africa Charter on the Rights and Welfare of the Child, to which Kenya is a signatory. Kenya also enacted the Children Act 2001 that sought to protect children.

Core child protection indicators for Kenya suggest that more work needs to be done (Table 1.1a and b). As an example, there were over 1 million children in Kenya who worked for pay, profit or family gain in 2015/16. In addition, it is estimated that up to 300,000 children live and work in the streets. Other emerging child protection issues include cybercrime, child sex tourism and radicalization.

Table 1.1a: Core child protection indicators

| Indicator | % or number |
|---|-----------------|
| Birth registration (Children under age 5 whose births are registered) (%) | 60% |
| Children aged 5-17 years working for pay, profit or family gain | 1.01 million |
| Children working in conditions that fall within the definition of the worst forms of child labour | 19,542 |
| Juveniles (aged 17 or under) held in prisons, penal institutions or correctional institutions | 2,767 |
| Children living and working on the street | 250,000-300,000 |
| Child marriage (girls married by age 15 and by age of 18) (%)* | 6% and 26% |

Table 1.1b: Core child protection indicators

| Indicator | Indicator score (%) | |
|--|---------------------|--------|
| | Male | Female |
| Prevalence of physical violence experienced before age 18 (respondents aged 18-24) (%) | 73 | 66 |
| (male/female respondents aged 18-24) (%) | 32 | 26 |
| Prevalence of sexual violence experienced before age 18 (respondents aged 18-24) (%) | 18 | 32 |
| Female genital mutilation/cutting (FGM/C) (among females aged 15-49) (%) | N/A | 21 |

Source: Ministry of Labour and Social Protection

Main documents and targets

The overarching policy that guides the operations in the social protection sector is the Kenya National Social Protection Policy (SPP) of 2011. The policy is under review and is expected to be re-launched in 2018/19. The country is also guided by the Kenya Social Protection Investment Plan 2018 to 2030 and the Kenya Social Protection Strategy that is under development. These main documents reflect the overall national long-term development plan, the Kenya Vision 2030 and the Constitution, which have provisions on social protection.

The Social Protection Investment Plan observes that the social protection sector will move from focusing only on orphans to gradually offering support to all vulnerable children. This is informed by evidence suggesting that orphans do not necessarily live in households with lower incomes than non-orphans, nor are they more disadvantaged across a range of other key indicators of child well-being.

An important target for the government is to design interventions for infants/early childhood who are currently largely excluded from current social assistance and child protection interventions. The need to target children within their first 1,000 days from birth is informed by studies that indicate that adequate nutrition at this stage has significant implications on outcomes of successive investments on children. Investments in early childhood are also known to yield high returns to society. It is thus commendable that the government plans to introduce a *Child Benefit* in 2021/22 that will offer a transfer of Ksh 710 per month to all children aged 0-5 years.

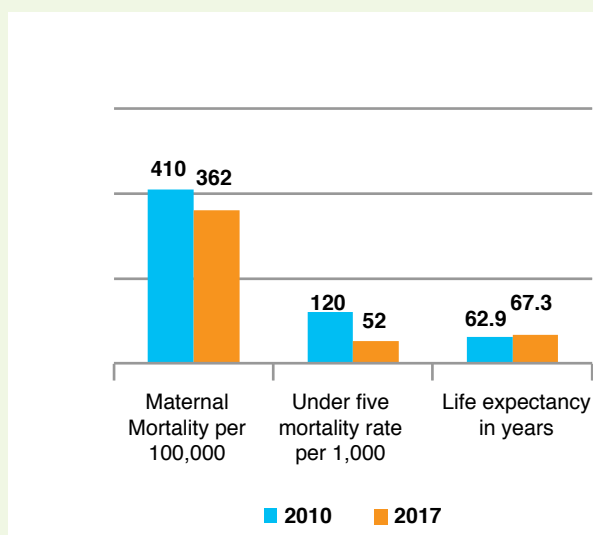
Higher rewards would be reaped if this programme is complemented by extensive education campaigns on the importance of nutrition at early childhood, enhancing food security and its quality and targeting of the poorest households.

Population Vulnerabilities

Kenya is classified as a medium human development country, following its human development index (HDI) value of 0.59 in 2017. Kenya's socio-economic indicators including the gross national income per capita, life expectancy, and under-five mortality rate all recorded gradual improvements (Figure 1.2a).

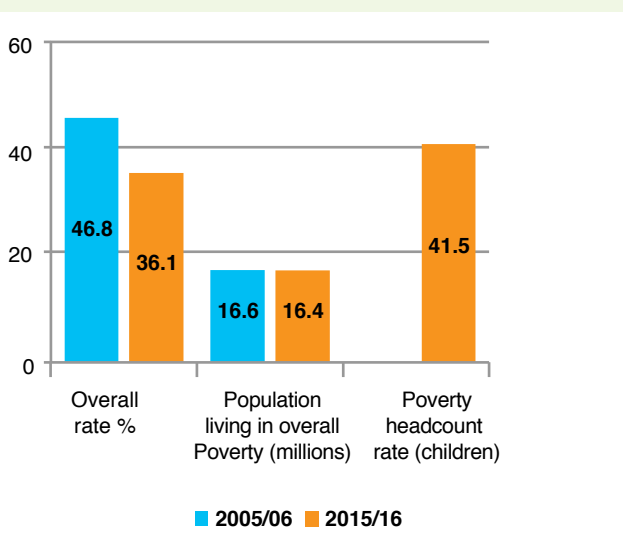
The poverty headcount among children was higher (41.5%) than the overall poverty rate (36.1%) in 2015/16 (Figure 1.2b). Child poverty headcount rate was higher for children in rural, peri-urban and core urban areas. Whereas the level of poverty in Kenya reduced by almost 10 per cent between 2005/06 and 2015/16, the number of individuals living in poverty has not changed substantially and was about 16 million during the two time periods (Figures 1.2 a and b).

Figure 1.2a: Selected socio-economic indicators in 2000, 2010 and 2017 (Kenya)



Source: Human Development Index (2018), KDHS (2008)

Figure 1.2b: Overall headcount and child poverty and population living in poverty 2005/06 and 2015/16



Source: Kenya National Bureau of Statistics (2016). Basic Report on Well-Being. Note: *The 2015/16 basic basket was revalued using the 2005/06 prices

Despite a growing economy and the country's success in building a more prosperous society, a high proportion of Kenya's population still lives on low incomes. Furthermore, a large proportion of the population is insecure and exposed to risks without adequate safety net, which is a major impediment to building a more productive workforce and economy.

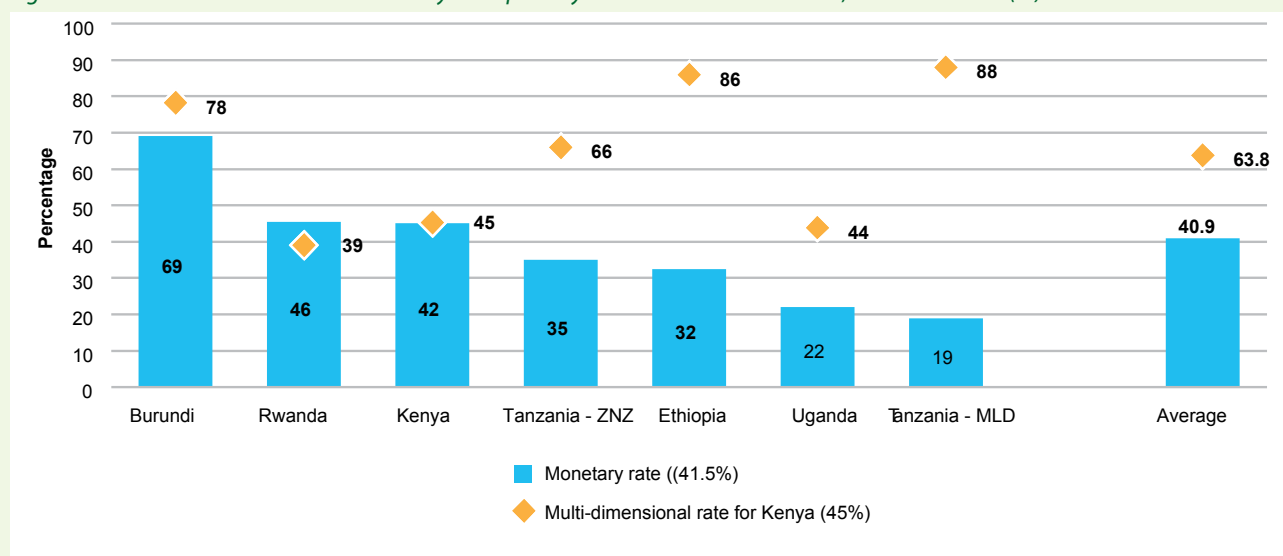
Evidence suggests that the widening income inequalities are resulting in greater disparities and inequities among Kenya's population. The most deprived children in Kenya are those living in the poorest 40 per cent of households, in certain regions and counties, and in informal urban settlements. Infant and child mortality in Kenya is high and 44 out of 1,000 children born alive die before their first birthday while 74 out of 1,000 die before age 5. Most of these deaths are from preventable causes, including pneumonia, diarrhoea, AIDS and malaria.

Although primary school enrolment increased from 93 per cent in 2009 to 95 per cent in 2012, more than 1 million children are out of school in Kenya. Approximately 3.6 million Kenyan children are orphans or otherwise classified as

vulnerable. Of these, 646,887 children are double orphans (have lost both parents). An estimated 110,000 children between 0-14 years are living with HIV. Women and girls are disproportionately affected by the epidemic, with 21 per cent of new HIV infections among females aged 15 to 24 years. Also of concern is the high level of AIDS-related deaths among adolescents, totaling 7,893 girls aged 10 to 19 in 2013.

In comparison to other selected countries in Africa, Kenya's monetary poverty (proportion of population with low incomes or working poor) was relatively high at 41.5 per cent. Kenya's immediate neighbours including Tanzania, Ethiopia and Uganda performed better with an average of 35 per cent, 22 per cent and 22 per cent, respectively. However, the multidimensional poverty rate for Kenya was 45 per cent and is among the lowest and below the Sub-Saharan Africa's (SSA) average of 63.8 per cent (Figure 1.3)¹.

Figure 1.3: Multi-dimensional and monetary child poverty rates in selected countries, latest available (%)



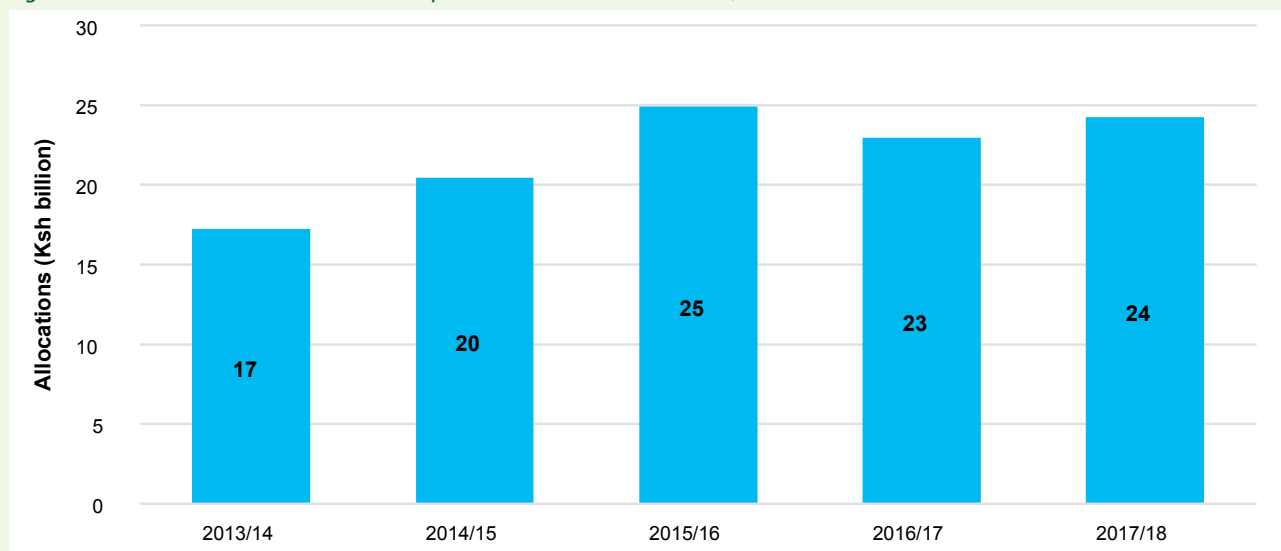
Source: ESARO, latest data available

Social Protection Spending Trends

This sub-section focuses on spending on social assistance, which is a component of social protection. The key social assistance programmes are the CT-OVCs, OPCT and the PWSD-CT. A beneficiary of each of these programmes receives bi-monthly cash stipends of Ksh 4,000.

The government's allocation to social protection has consistently increased in recent years. Total spending on the sub-sector rose from Ksh 17.2 billion in 2013/14 to Ksh 24.4 billion in 2017/18 (Figure 2.1). The Ksh 24.4 billion represents 2 per cent of the overall 2017/18 budget and was a 6 per cent increase compared to the previous financial year. The National Safety Net Programme was earmarked to receive Ksh 20 billion for state cash transfer to more than 1 million households with older people, orphaned and vulnerable children and people with disabilities. The National Development Fund for Persons with Disabilities was also allocated Ksh 400 million (in the 2013-2017 period), which was 54 per cent more than the recommendation in the Medium-Term Plan.

Figure 2.1: Total allocations to the State Department for Social Protection, 2013/14 to 2017/18

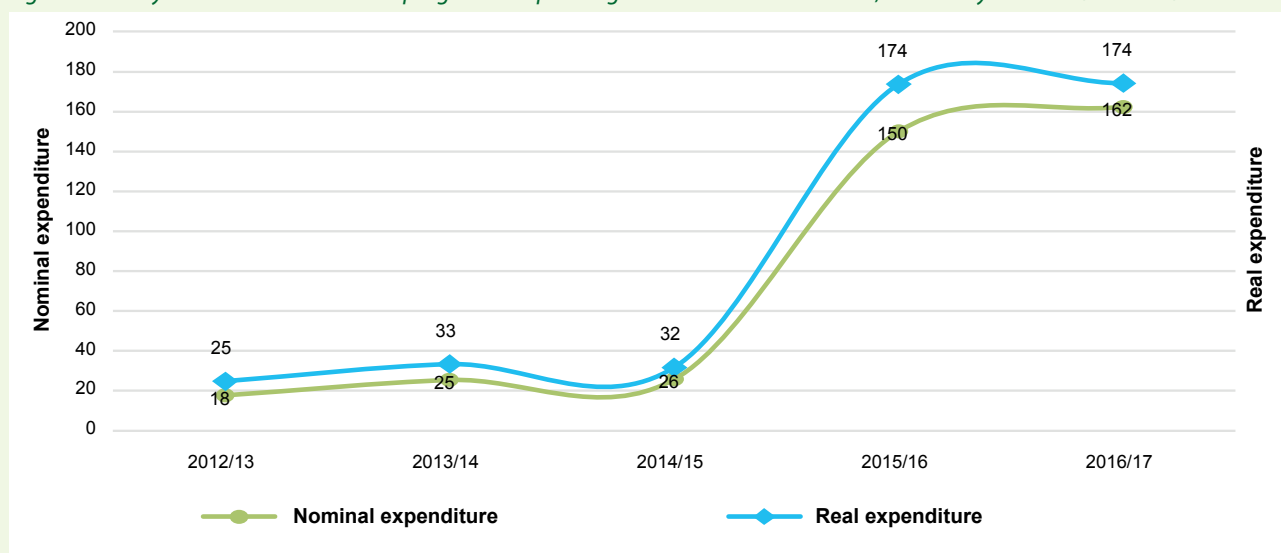


Sources: Government of Kenya (various), Budget Policy Statements

Public spending on social assistance

In both nominal and real terms, expenditure for cash transfer programmes has been increasing significantly since fiscal year 2013/14. In 2016/17, total programme spending jumped by more than 400 per cent compared to the previous year. This is attributed to the up-scaling of programmes and the introduction of more cash transfer programmes. The newer programmes introduced around 2015/16 include the cash transfer to older persons (CT-OP) and persons with severe disability cash transfer (PWSO CT) (Figure 2.2).

Figure 2.2: Kenya social assistance total programme spending - nominal and real trends, financial years 2012/13-2016/17

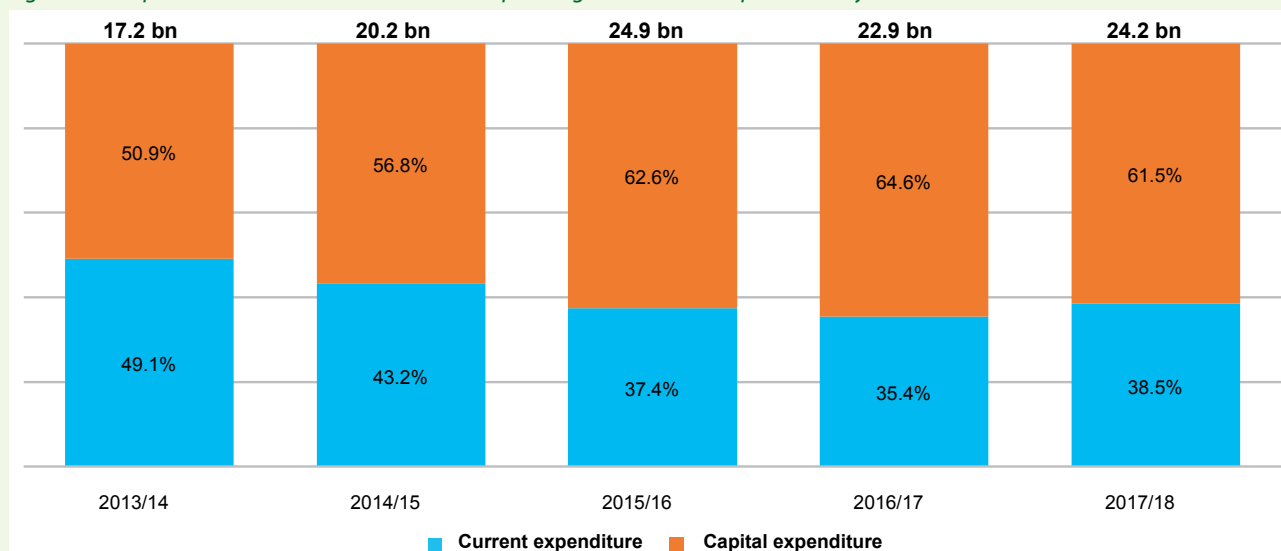


Source of data: Ministry of Labour and Social Protection

Composition of spending

To implement the prioritized programmes, there was an increase in both recurrent and development expenditures. Recurrent spending increased from Ksh 8.4 billion in 2013/14 to 9.3 billion in 2017/18 while development spending increased from Ksh 8.8 billion in 2013/14 to 14.8 billion in 2017/18, respectively. The growth

Figure 2.3: Department of Social Protection total spending and share of expenditure by economic classification



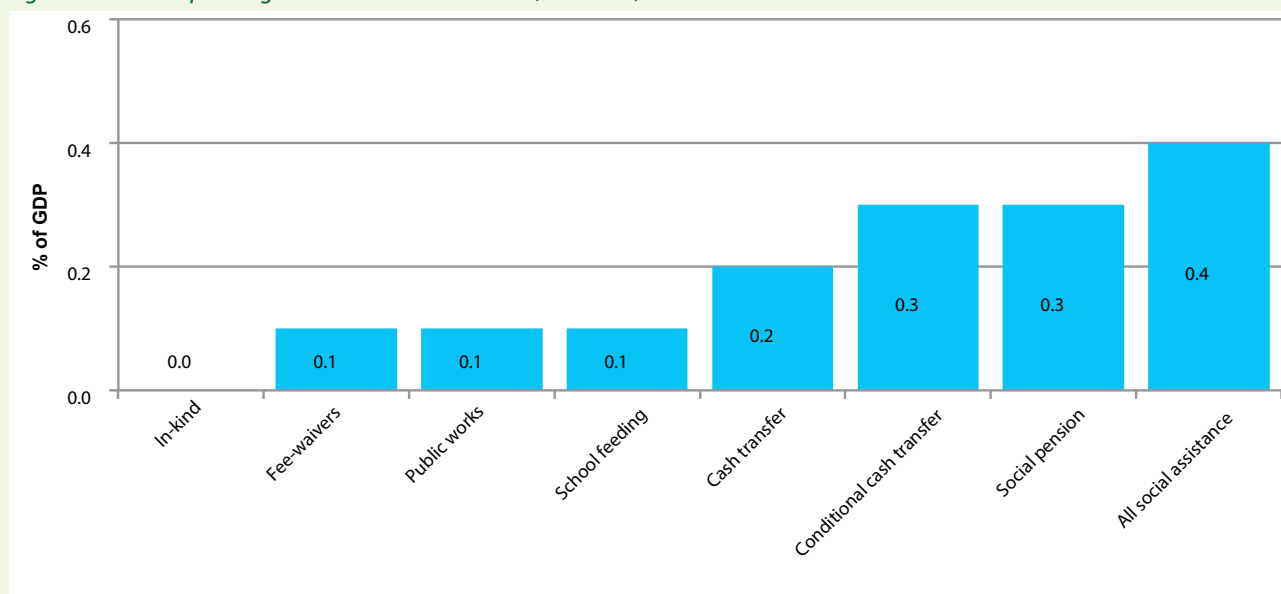
Source of data: Government of Kenya (various), Budget Policy Statements

over the period can be partly attributed to increase in the number of social protection programmes, and the number of beneficiaries. The share of recurrent spending has gradually declined from 49 per cent to 39 per cent between 2013/14 and 2017/18, which is indicative of efficiency gains resulting from scale economies (Figure 2.3).

Compared to education and health, social assistance generally accounts for a relatively small portion of the national budget (less than 1%). Many of the programmes also tend to be targeted to a small proportion of the eligible beneficiaries. As an example, the cash transfer to orphaned and vulnerable children (CT-OVC) covers about 29 per cent of the eligible beneficiary population of 1.2 million children.

Government spending on social assistance was about 2 per cent of Kenya’s GDP in 2016/17. Most of this public spending was in the form of social pension and conditional cash transfers, which accounted for 0.3 per cent of GDP each. Cash transfers accounted for 2 per cent of GDP while fee waivers, public works, and school feeding each took up 0.1 per cent of GDP (Figure 2.4).

Figure 2.4: Public spending on social assistance 2016 (as % GDP)



Source: World Bank Aspire database

The core social assistance schemes including the responsible agency, target groups, beneficiaries, transfer values and actual spending amount and as a share of GDP are summarized in Table 2.1. Although the OP-CT and *Inua Jamii* are not directly targeting children, it is expected that these transfers are important for child welfare. This is because older persons reside with and/or support children. This is especially the case in regions/counties with high mortality, including those with relatively high prevalence of HIV/AIDS-related deaths. In these regions, it is the younger children and their older parents/grandparents that tend to survive the scourge.

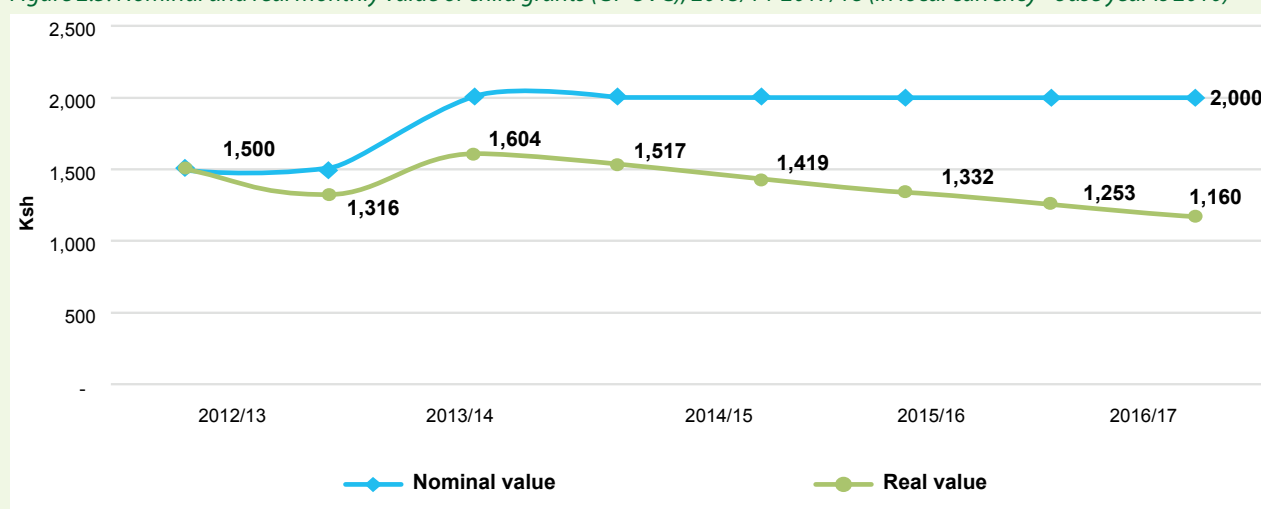
Table 2.1: Overview of core social assistance schemes in Kenya in 2018/19

| Scheme | Responsible Agency | Target Group | No. of registered beneficiary households | Transfer value per month (Ksh) | Transfer value (% of GDP per capita) ² | Actual spend (Ksh billion) | Actual spend (% of GDP) ³ |
|------------------------------|-------------------------|---|--|--------------------------------|---|----------------------------|--------------------------------------|
| CT-OVC | ML&SP (SAU, DCS) | Household with OVC | 353,000 | 2,000 | 16.6 | 8.34 | 0.13 |
| OPCT | ML&SP (SAU, DSD) | Household with 65+ | 310,000 | 2,000 | 16.6 | 6.62 | 0.11 |
| <i>Inua Jamii</i> 70 Pension | ML&SP (SAU, DSD) | Individual aged 70 years and above | 523,129 | 2,000 | 10.0 | 21.93 | 0.23 |
| PWSD-CT | ML&SP (SAU, DSD, NCPWD) | Household with PWSD including adults and children | 47,000 | 2,000 | 16.6 | 1.12 | 0.02 |

Source: Ministry of Labour and Social Protection

A key observation is that the transfer value of the CT-OVC, the OPCT and the PWSD CT has been Ksh 2,000 per month since 2013. However, due to inflation, the real value of these transfers has diminished. Figure 2.5 summarizes the evolution of nominal and real values of the CT-OVC. Although only the CT-OVC is represented, the evolution of the other cash transfers has a similar trend in the decline of their real values.

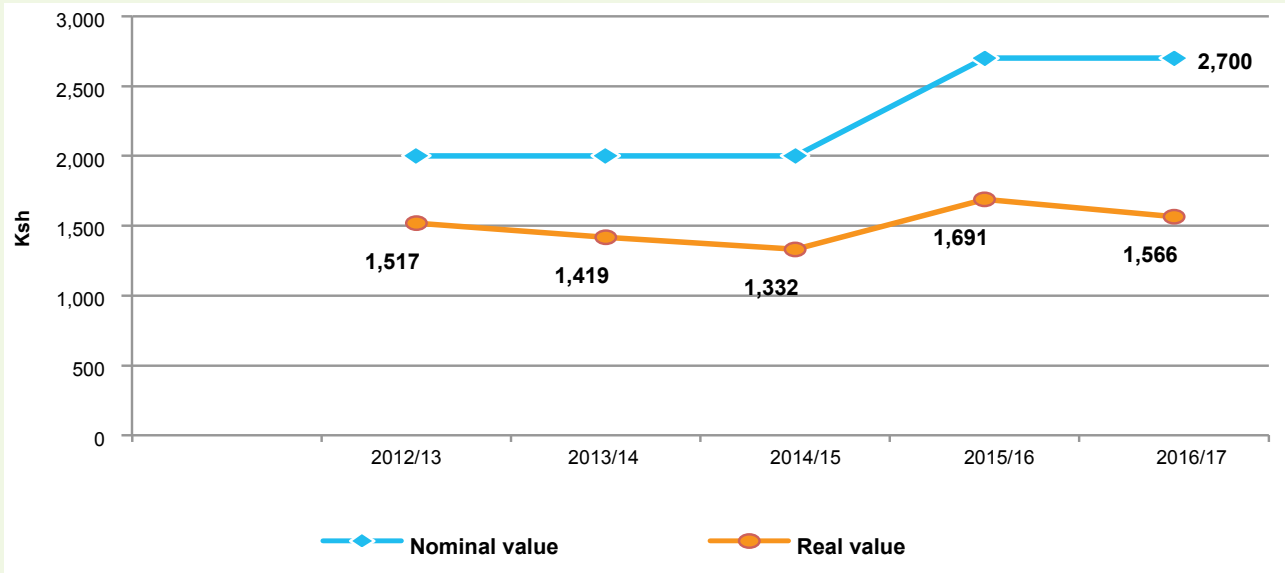
Figure 2.5: Nominal and real monthly value of child grants (CT-OVC), 2013/14-2017/18 (in local currency - base year is 2010)



Data source: Ministry of Labour and Social Protection

The erosion of the real value of the transfers is expected to have a significant negative effect on child welfare. To stem this erosion, the transfer values need to be reviewed periodically to stem any negative impacts on beneficiaries. Lessons can be learned from the Hunger Safety Net Programme for which the real value did not fall in 2018 relative to 2013 because of an increase in the nominal value of 35 per cent to Ksh 2,700 in 2016 (Figure 2.6).

Figure 2.6: Hunger safety net programme for 2013/14 to 2017/18

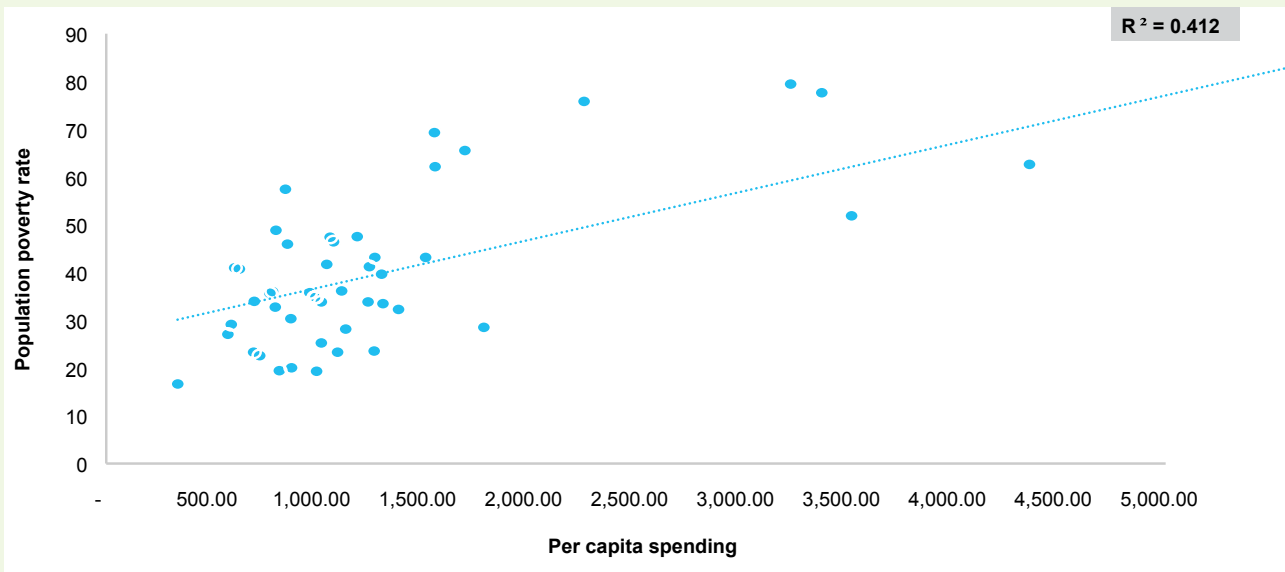


Data source: Ministry of Labour and Social Protection

Equity of spending on social assistance and child protection

Counties with higher headcount poverty rates received larger per capita amounts under the National Safety Net Programme (NSNP) as shown in Figure 2.7. This indicates that social protection interventions are effectively targeting the most disadvantaged populations. Wajir County had the largest poverty rate in 2015/16 and received the highest per capita amount of Ksh 4,357. This indicates that the NSNP, which encompasses CT-OVC, the OP-CT, CT-PWSD and the Hunger

Figure 2.7: Correlation between population poverty rate and spending per capita of the National Safety Net Programme by county

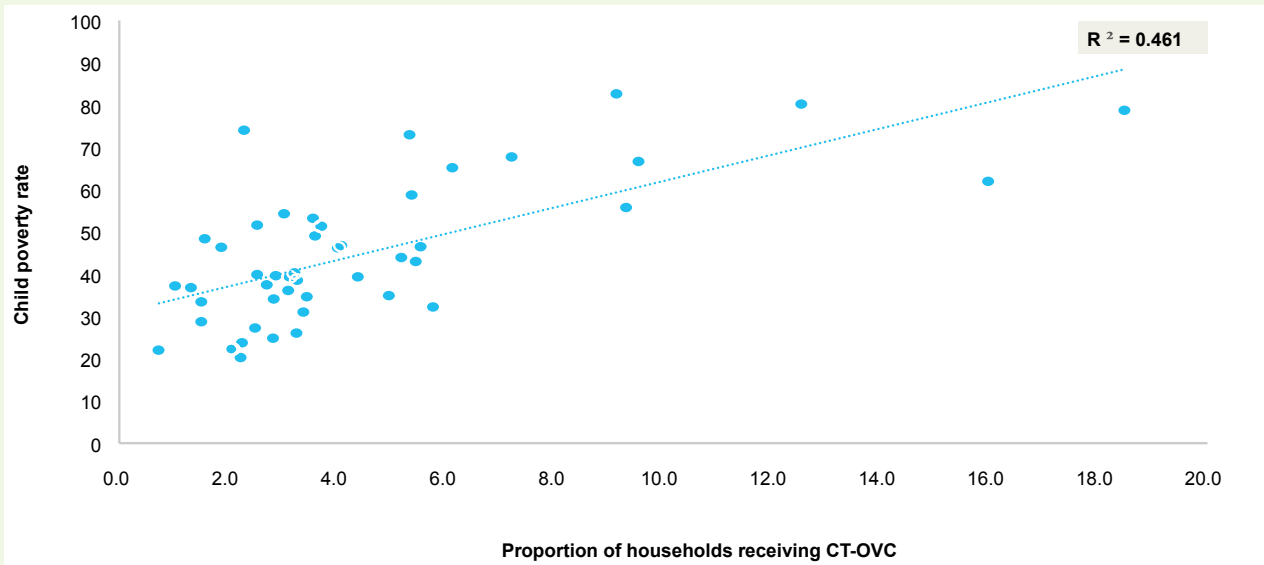


Data source: Ministry of Labour and Social Protection

Safety Net Programme are collectively relatively equitable. Even so, there is room for improvement as the measure of fit (r-squared) was 0.4 out of a possible value of 1.0.

Besides the NSNP, the proportion of households receiving the CT-OVC across counties had higher child poverty rates. This trend also indicates that the transfers are supporting the most vulnerable and contributing to improved equity.

Figure 2.8: Correlation between the proportion of households receiving CT-OVC and child poverty by county

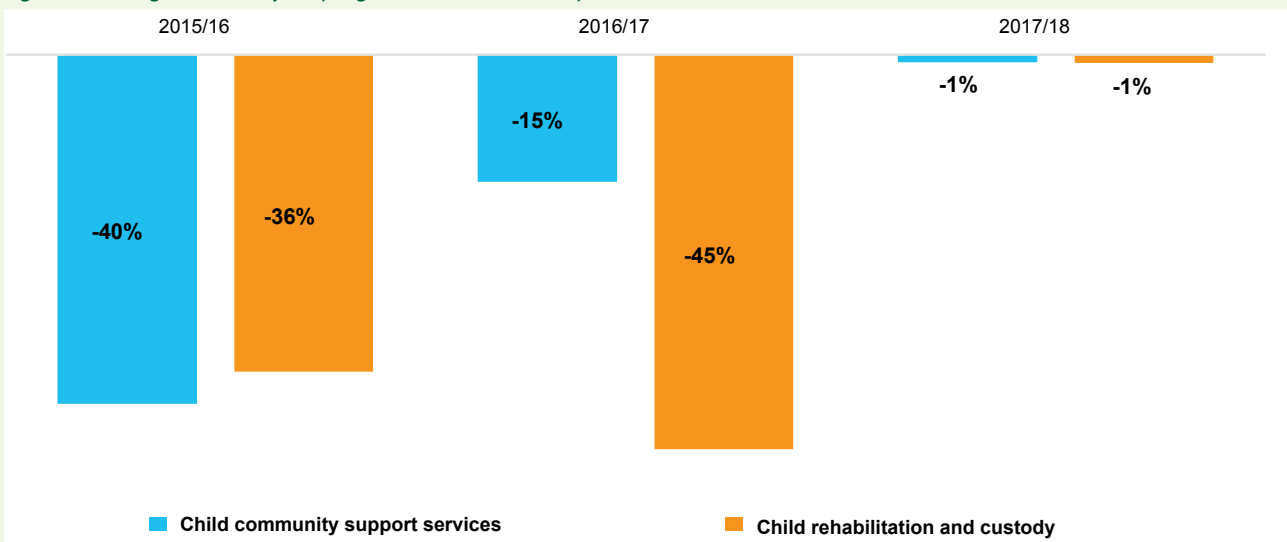


Data source: Ministry of Labour and Social Protection

With respect to budget credibility, there has been an increasing trend in the proportion of the approved budget that is actually spent under the NSNP. Actual spending increased from 80 per cent of the approved budget in 2014/15 to 98 per cent in 2016/17, which is a very positive signal that social protection institutions have strong budget planning and implementation capacity.

Within the child protection sub-sector, which has two main budget lines, i.e. the “child community and support services” and “child rehabilitation and custody,” there was marked improvement in budget credibility in 2017/18. Actual spending was lower than the approved budget for the fiscal years between 2015/16 and 2016/17 by as much as 45 per cent (Figure 2.9). For both budget lines, the deviation from the amount approved was only 1 per cent in 2017/18.

Figure 2.9: Budget credibility for programmes within child protection, 2015/16 to 2017/18



Data sources: Government of Kenya (Various), Budget Policy Statement/Sector Reports

There is need to not only increase the allocation for child protection but also to redistribute it across the line items – based on line item needs. Overall, the budget allocations to both the NSNP and child protection are inadequate. This is evidenced by the low coverage of eligible households/individuals within the NSNP, with less than half of the eligible individuals/households being covered in most cases. For child protection, although “custody” related cases reported the most incidences (67% of the total reported cases), the budget line for “child rehabilitation and custody” was only 16 per cent of the total budget for child protection in 2017/18.

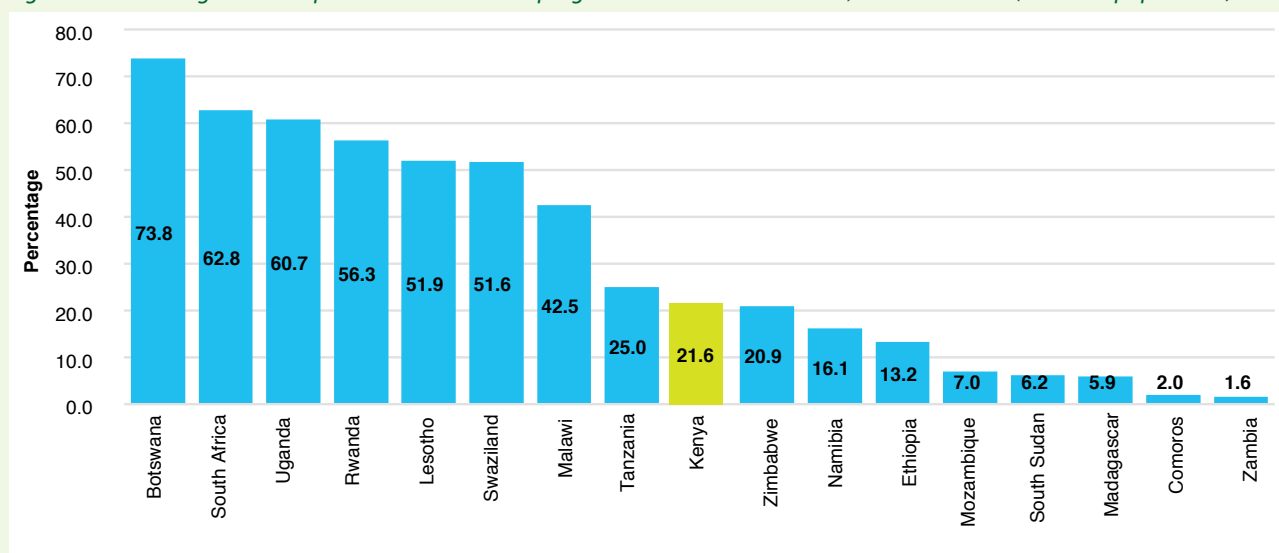
Public spending on social protection against other countries

Social protection coverage in Kenya is still relatively low in comparison with comparator countries in Africa such as South Africa and Uganda (Figure 2.10).

Although poverty rates declined in the last decade, it is relatively high with about 4 out of every 10 children living in a poor household. This implies that it is essential to expand the coverage of ongoing social protection programmes.

In addition, expanding programme coverage would be important in enhancing the impact of the programmes for which available evidence indicates poverty head count

Figure 2.10: Coverage of social protection and labour programmes in select countries, latest available (as a % of population)



Source: World Bank Aspire database

reduction rates (in the bottom 20% of the population) are much lower for Kenya (at 1.7 %) relative to Botswana and South Africa which had larger coverage and reduced poverty head count by 20 per cent and 41 per cent, respectively (Figure 2.11). It is also important to enhance synergistic investments in other related sectors or programmes. A good example is the free access or waiver of the National Hospital Insurance Fund (NHIF) registration fees for households eligible for the NSNP.

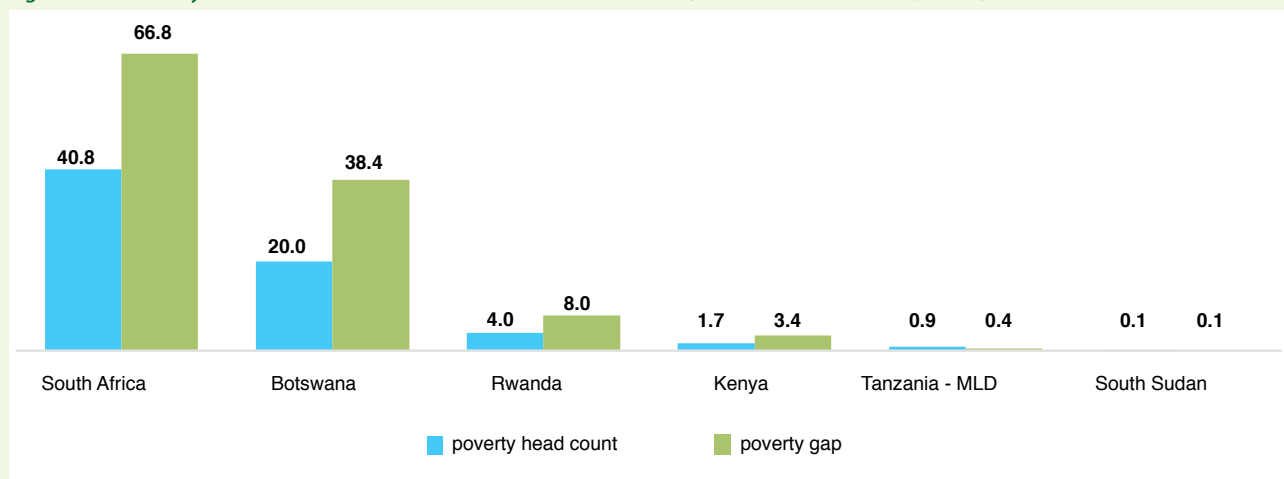
Social Protection Programmes

This section focuses on social protection programmes under the NSNP, their objectives, eligibility criteria, and transfer values.

Cash transfer to orphans and vulnerable children

In Kenya, it is estimated that approximately 3.6 million children aged below 18 years are orphaned or are vulnerable, and this represents almost one-fifth of the total population aged under 18 years. It has been estimated that 1.1 million, or 44 per cent of these children, have been orphaned due to HIV and therefore the Government of Kenya views OVC as a priority population in the national response to the HIV

Figure 2.11: Poverty reduction rates in selected countries bottom 20%, latest available data (as a %)



Source: World Bank Aspire database

epidemic. The CT-OVC programme has been progressively scaled up with the support of the Government of Kenya, UNICEF, DfID and World Bank; it is currently supporting more than 246,000 households in all the 47 counties.

Objective

The programme seeks to provide a social protection system through regular cash transfers to families living with OVCs to encourage fostering and retention of such children within their families and communities and to promote their human capital development. The specific objectives are:

- (i) **Education:** increase school enrolment, attendance and retention for 6 to 17-year-old children in basic school (up to Standard 8).
- (ii) **Health:** reduce the rate of mortality and morbidity among 0 to 5-year-old children through immunizations, growth monitoring and vitamin A supplement provision.
- (iii) **Civil registration:** encourage caregivers to obtain identity cards within the first six months after enrolment, birth certificates for children and death certificates for deceased parents.
- (iv) **Strengthening capacities within the household:** Coordinate with other ministries and partners training on areas such as nutrition and reproductive health. Provide guidance and refer cases related to HIV/AIDS, both among adults and children who are members of the household.

Eligibility

There are three broad eligibility criteria for the CT-OVC. The first is that the household must be extremely poor, and second is that the household must have OVCs. The third criteria is that the household must not be enrolled in another cash transfer programme.

Transfer values

Beneficiaries are paid Ksh 4,000 per household every two months. This is equivalent to a stipend of Ksh 2,000 monthly. The transfers are effected through payment service providers contracted by the Ministry of Labour and Social Protection and its agents.

Persons with Severe Disability Cash Transfer

The persons with severe disability cash transfer (PWSD-CT) targets adults and children with severe disabilities who require 24-hour care support of a caregiver. Caregivers encompasses any persons responsible for looking after another person. The programme

seeks to enhance the capacities of caregivers through cash transfers and, as such, improve the livelihoods of persons with severe disabilities and reduce the negative impact of disability on households.

Objectives

The objectives of the PWSD-CT include:

- (i) Strengthening the capacities of parents and children with disabilities;
- (ii) Improving the livelihoods of caregivers/parents and children with disabilities; and
- (iii) Alleviating multidimensional poverty among parents and children with disabilities.

Coverage

PWSD-CT is a national programme that covers beneficiaries in all the counties. Currently, the programme covers more than 47,000 households. Even so, the covered households are only a small proportion of the eligible households.

Transfer values

Every household receives Ksh 2,000 per month delivered every two months through appointed payment service providers contracted by the Ministry of Labour and Social Protection.

Eligibility

To be eligible, a household must have a person who is severely disabled and who needs permanent or 24-hour care, including feeding, toiletry, and protection from danger from themselves and from other persons and the environment. In addition, the household must be categorized as poor or vulnerable and must not be enrolled in any other cash transfer programme.

Older People Cash Transfer and the *Inua Jamii* Pension Scheme 70+

Objective

The objective of these programmes are to provide regular and predictable cash transfer to poor and vulnerable older persons 65 years and above (for the older persons cash transfer) and also *Inua Jamii* Pension scheme 70+ (for individuals aged 70 years and above). The *Inua Jamii* programme is an individual-based scheme.

Coverage

The OPCT and *Inua Jamii* Pension scheme 70+ currently covers over 310,000 and 523,000 households, respectively. Both are national schemes.

Eligibility

To be eligible, older persons must be 65 years and 70+ years and above, respectively. The beneficiary must not be enrolled in any other cash transfer programme. In addition, a member of the beneficiary household must not be receiving any pension and/or regular income or be in any gainful employment.

Cash transfer value

A stipend of Ksh 4,000 is delivered every two months for each household through an appointed payment agent. The current agents are Equity Bank and Kenya Commercial Bank.

Financing

The programme is financed by the Government of Kenya.

The Presidential Secondary School Bursary (PSSB)

The scholarship was established in 2013 and targets secondary school students from vulnerable families. The Presidential Secondary School Bursary (PSSB) for orphans and vulnerable children (OVC) from poor families in secondary schools is administered by the OVC Secretariat as a complementary service to the CT-OVC Programme.

Objective

The aim of the bursary scheme is to enhance secondary school enrolment, attendance and completion by the orphans and vulnerable children in Kenya.

Eligibility

The beneficiary must be enrolled in a secondary school and aged under 18 years of age at the time of entering the bursary scheme. In addition, he/she must be an orphan/vulnerable child from a poor household. The beneficiary must also have been a resident of one of the targeted locations within a Constituency in the last one (1) year preceding the application.

Cash transfer value and financing

The transfer value is Ksh 30,000 per student per year. The programme is fully funded by the national government and implemented across all the 290 constituencies in Kenya.

Hunger Safety Net Programme

Delivery of cash under the Hunger Safety Net Programme (HSNP) is through a fully operational bank account with an ATM Mastercard card. HSNP cash transfer value for July 2014 to June 2015 increased to Ksh 5,100 paid every two months (starting from 5th July 2015). The value further increased to Ksh 5,400 from 5th July 2016. Cash is deposited to household's bank account on the fifth of the first month of payment cycle.

To access cash, beneficiaries have three options. These are: use of an ATM Card at the designated bank (Equity Bank) payment agents within their sub-location; use of ATMs; and access through over the counter. Communications on payments is made through HSNP field communications model where the Chiefs and Assistant Chiefs are at the center of grassroots communications.

Eligibility Criteria

To be eligible, an individual should be a Kenyan citizen and come from one of the highest poverty counties which currently include: Wajir, Turkana, Mandera and Marsabit. Beneficiaries should not include members of the Kenyan Armed Forces who reside within a military base.

Coverage

More than 374,000 households have been registered in the programme.

Implementation Strategy on Key Issues

The following strategies have been proposed to ensure that the policy issues emerging from the analysis are addressed.

| Issue | Recommendation | Action (Responsibility) |
|--|---|--|
| Inadequate budget allocations to Social Assistance and Child Protection. This has led to low coverage and relatively low impact on poverty reduction | Increase budget allocations and expand programme reach. In the short run, this can be achieved by roping in development partners | National Treasury and Planning Ministry of Labour and Social Protection |
| Limited coordination and fragmentation of programmes and scale diseconomies | Domicile programmes under one coordination body. This can be achieved by expanding the mandate of the Social Protection Secretariat and establishing an integrated sector-wide approach to data and information systems | Ministries in charge of: Social Protection, Devolution (NDMA) health and education. To be convened by the Ministry of Labour and Social Protection |
| Falling real values of the cash stipends due to non-adjustment of payments to inflation | Introduce an automatic inflation adjustment for the cash stipends | National Treasury and Planning Ministry of Labour and Social Protection |
| Budget credibility, low execution and sustainability | Further enhance timely disbursement of allocations | National Treasury and Planning Ministry of Labour and Social Protection |
| Child protection emerging issues on cybercrime, child sex tourism and radicalization | Develop policies and allocate resources to address the emerging issues | Ministry of Labour and Social protection Ministry of Interior and Coordination of National Government Ministry of Tourism and Wildlife |

(Endnotes)

- 1 Multidimensional poverty rate is an alternative measure of poverty going beyond income-based poverty and includes other dimensions such as education, health and living standards.
- 2 GDP per capita figures and inflation estimates are based on the IMF's World Economic Outlook database (October 2015).
- 3 Source: Calculations are based on GDP figures from the World Development Indicators (WDI).

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