

# Socio-economic Impact of Old Persons' Cash Transfer in Mulundi Sub-location, Kitui County-Kenya

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**Abstract** Kenya runs several social protection programmes, among which is Older Persons Cash Transfer purposed to support the elderly population (more than 65 years old) for their upkeep and minimize their vulnerability to socio-economic challenges. Over the years since 2004, budget allocation for the programme has been increasing, but little information is available to show how effective the programme is or whether the grants are adequate for the beneficiaries to meet their financial and social needs. This study applied cross-sectional mixed methods to evaluate the socioeconomic impacts of the Older Persons Cash Transfer on the recipients living in Mulundi sub-Location, Kitui County, Kenya. In this study, a household census survey was employed to gather information from all 113 registered beneficiaries in the Mulundi sub-location using a questionnaire. The local area chief, two officials from the county social development office and three village elders were involved as the key informants. A total of 12 focus group discussion participants were involved in two separate sessions, one for men and the other for women. There were more female beneficiaries (58 percent) than male beneficiaries (42 percent), the majority of whom were widowed (53 percent). Most of the beneficiaries (72 percent) were the age between 65 and 75 years old, thus suggesting there is a high number of newly enrolled beneficiaries in vulnerable conditions. Few beneficiaries (21 percent) had alternative sources of income, while a majority (79 percent) depended on cash transfer as the main source of income. Most of the beneficiaries used cash to buy food (44 percent), pay

school fees for their dependents (30 percent), health care (12 percent) and buy clothes (10 percent). The majority of the programme beneficiaries (57%) were dissatisfied with it, with most of them believing that it had not improved their economic state and that the monthly stipend was insufficient to cover most of their needs. The majority of the beneficiaries were women, many of them widowed suggesting that they are more vulnerable than male beneficiaries, they lacked companionship, made individual decisions on spending the funds and faced a wide range of financial needs in their families. Most of the beneficiaries were not commonly involved in community development activities. The programme beneficiaries faced a number of challenges, including insufficient and erratic grant disbursement, management issues, a lack of a clear grievance airing procedure, a rising cost of living, and a lack of openness in the programme's management. The paper concludes that Older Persons Cash Transfer Programme has improved the socioeconomic welfare of the elderly, but the programme also faces challenges that need to be addressed in order to make it more efficient and fully achieve its intended objective of improving the lives of older persons.

**Keywords** Cash Transfer, Socio-economic Impact, Old Person's Welfare, Poverty Alleviation, Social Protection

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## 1. Introduction

Many low-income countries offer various social protection schemes addressing various issues that are assumed to contribute to poverty among the most disadvantaged populations [1]. The choice of each country depends on the availability of resources, social goals and institutional capabilities. In high-income countries, identifying the poor and vulnerable populations for social protection is done through alternative methods including individuals bringing evidence of unemployment or income to a registering office then the households are given cash transfers through tax system [2].

While most social assistance programmes are predominant in Latin America [3,4], several African countries have also invested in social protection programmes [5]. These programmes have received a broad consensus in alleviating poverty and promoting inclusive economic development [6]. More impacts have been observed after the African heads of state endorsed the African Union's Social Policy Framework (SPF) in 2009 [7]. The policy aimed at achieving objectives such as job creation, income security for all citizens, and social security.

Cash transfer programmes are intended for the social protection of vulnerable populations with multifaceted objectives and policies that seek to foster opportunities as well as the capacity of older persons to sustain their lives, and enhance their social status and livelihoods [8]. In other words, cash transfer programs are a reflection of the sort of social security that transfers cash and consumables to the most vulnerable groups, especially the elderly, with the goal of raising their social standing [9,10].

According to the World Bank, the success of cash transfer programmes can be ascertained by looking at whether the allocated amount to social assistance is adequate in alleviating poverty and vulnerability [10-12]. The effectiveness of social assistance programmes can also be determined by the adequacy of funds, methods, and objectives [12]. The World Bank has been inspired by the success of similar social assistance programmes around the world, to embrace cash transfers as potent weapons in the fight against vulnerability among poor households [13]. As such, across Africa, the World Bank has encouraged many countries such as Lesotho, Zimbabwe, Kenya, Ethiopia, Tanzania, and Namibia to draft national cash transfer policies to offer support and assistance to their respective vulnerable citizens [2,13].

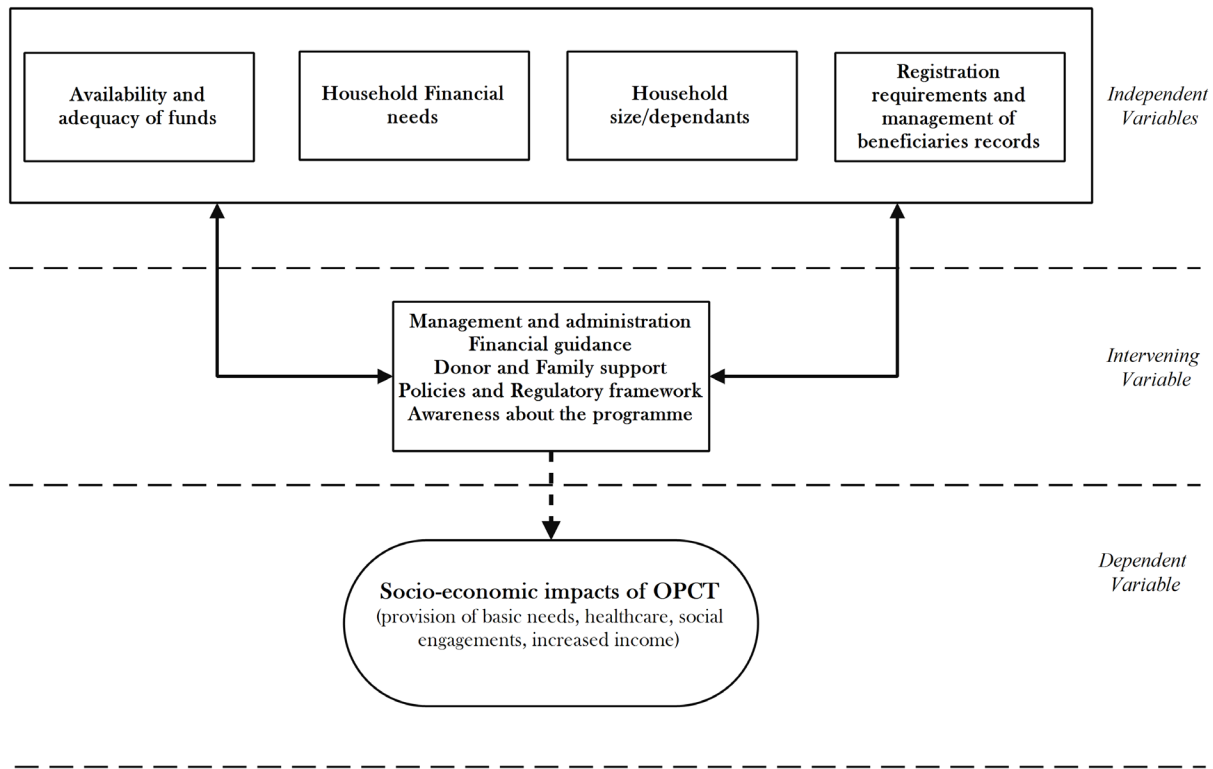
This study is guided by Adam Smith's economic theory [52]. Cash transfers are an initiative that alleviates poverty (social assistance) and saves elderly from extreme economic challenges (social insurance). Social worthiness encourages borrowing and sharing abilities among the elderly people and allows them to participate in social development activities. The provision of cash on a regular basis helps the elderly to afford to buy food stuff for their

households. In terms of health care, elderly people can benefit from locally available health facilities whenever they have medical needs. The cash grants are an important source of money which makes them afford to pay medical bills and treatment and hence promoting their well-being and reduced mortality. Through cash grants, the elderly can also be able to afford to buy clothing and provide shelter for their households.

The intervening variables may affect the effectiveness or acceptability of the cash transfer programme among the elderly as a tool for poverty alleviation. For example, both international and national social protection policies, state and donor funding in the OPCT, social protection awareness, management and administration of the programme. This influences the realization of the benefits of cash transfer (Fig. 1).

Aging population which forms 6 percent of the total population in Kenya is an important segment in Kenya's demographic strata. In many cultures the elderly are the first nation communities, carriers or custodians of the past as well as role models for the current generation. There are limited activities that the aged person can engage in to earn income. Poverty among the elderly gets worse when their caregivers particularly their children become breadwinners in their own families [14]. If they do not have any source of income, the situation becomes worse particularly if they have dependants in their households. This condition makes the elderly vulnerable because of limited avenues to meet their livelihoods.

In Kenya, cash transfer programmes are implemented to minimize the impact of severe socioeconomic hardships on vulnerable populations [6]. Thus, since 2004, Kenya has had a number of cash transfer social protection programmes. These include the Older Persons Cash Transfer, the Cash Transfer for Persons with Severe Disabilities, the Cash Transfer for Orphans and Vulnerable Children, and the Hunger Safety Net Program (HSNP) (OPCT) [15,16,6]. The OPCT is meant to counter the disengagement of older persons from social relationships as well as from physical activities and support them in better health care services. Little information is available on whether the management structure of the programme, the disparity in the disbursement of grants, and increasing complaints from the beneficiaries have any role in the realization of the main goal of the programme [17,18]. Because of the differences in the socioeconomic situation, the issue of whether or not the cash grants are appropriate has not been thoroughly investigated. There is also limited information on whether the beneficiaries are able to meet their financial needs or not. There is limited data and information to show how beneficiaries utilize the cash for their socio and economic wellbeing. Similarly to this, since inception of the programmes in Kenya, there has been minimal monitoring and evaluation of the OPCT at the national and county levels [19].



**Figure 1.** Conceptual Framework of the study

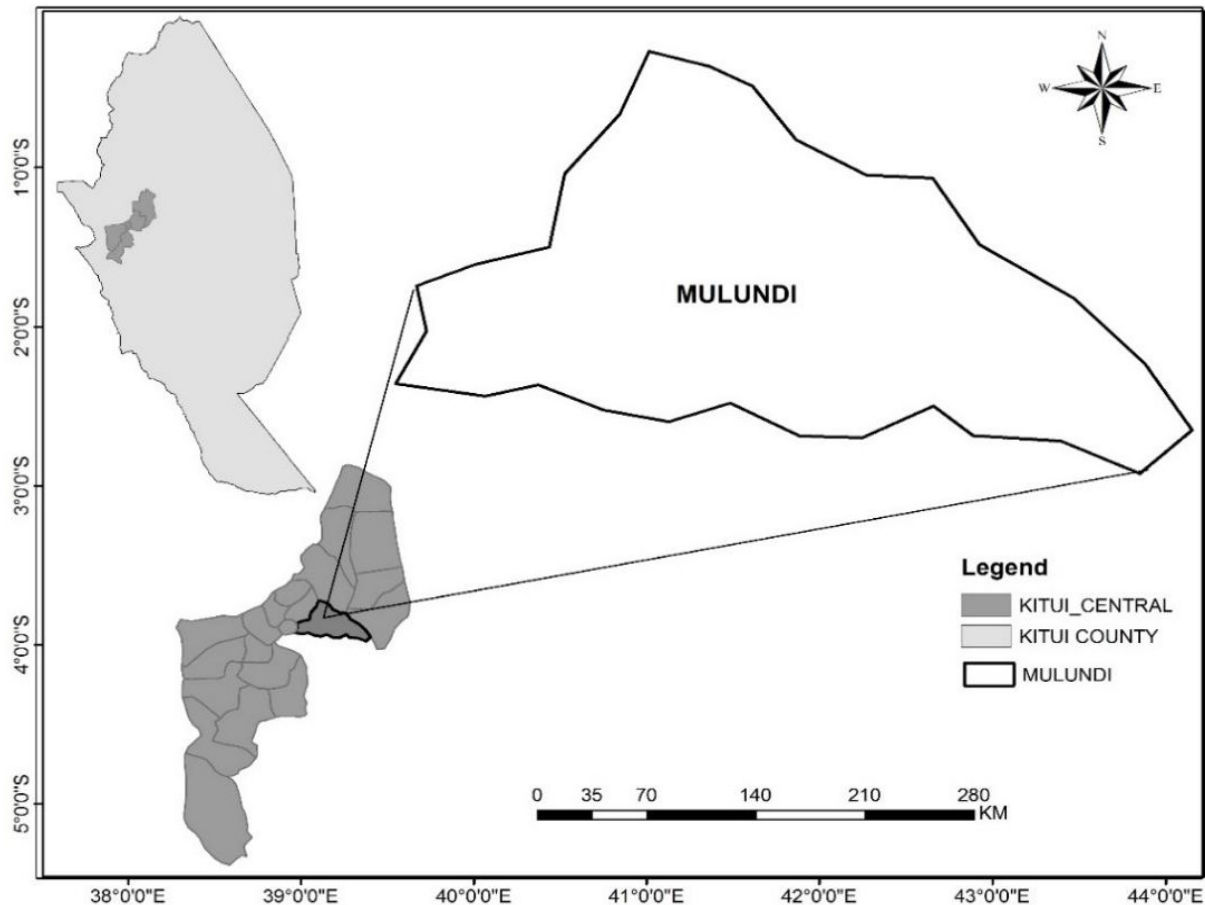
The impact of the national progressive growth of the budget to support OPCT has not been realized in Kitui County, where Mulundi sub-location is located. The aged population still remains vulnerable with minimal opportunities to make some income. Regular food production is limited due to the unfavourable climatic conditions in the area. These issues make the elderly population eventually dependent on cash transfers and family support for their upkeep. This study sought to look into the socioeconomic impacts of the OPCT in Kitui County's Mulundi Sub-Location. In particular, the study aimed to determine if the beneficiaries' financial needs and general expectations were adequately met by the programme. The study further sought to establish specific challenges experienced by the beneficiaries in the implementation and management of OPCT programme in the study area.

## 2. Methods and Materials

The materials on which this paper draws were generated by focusing on the socio-economic impact of old persons' cash transfers in Mulindi sub-Location of Kitui County (Fig. 2). A cross-sectional mixed method design was used in the study to collect and analyze both qualitative and

quantitative data [19,20]. A household census survey was adopted during data collection to enhance the inclusivity of every member of OPCT and to ensure that the collected data was accurate and reliable [21,22]. Several tools were utilized to obtain the data, including a questionnaire, focus group discussion guides (FGDs), and key informant interview guides [23]. A semi-structured, pre-coded questionnaire was administered by the researcher through face-to-face interaction with the OPCT beneficiaries.

The collected data included demographic information of the respondents that is; gender, age, marital status, level of education and household size. The questionnaire also captured household information that included the details of how the respondents utilized the cash grant they received through the OPCT. This also included information describing household benefits and challenges that beneficiaries experienced in the OPCT. Information on social aspects of the programme was also captured where social benefits, status and intra-household relationships were investigated. A pre-test study was undertaken in Zambani village some weeks before undertaking the actual study where 10 participants were involved. This was done to test the reliability of the research instruments whereby any inconsistencies were identified and the necessary corrections were made after the pre-test study.



**Figure 2.** Location of Mulundi sub-location, Kyangwithya East Ward in Kitui County

There were 113 men and women aged 65 years registered in the OPCT programme in Mulundi sub-Location when the study was undertaken. A purposive sampling procedure was employed and all 113 beneficiaries were selected for data collection. Data collection was done by undertaking door-to-door visits of the OPCT beneficiaries with the guidance of the area chief and village elders. Direct observations were on several activities, and respondents' behavior and a description of the OPCT beneficiaries' households were made. The study included a total of seven (7) key informants among them the local administrator (chief), two (2) officials from the County Government (social development officers) and three (3) village elders. The village elders were identified through the Social Development Office and the Locational Targeting Committee (LTC) facilitates enrollment of new applicants in the ward as defined in the OPCT operational manual [24]. The social development officers were accessed at the County office of the Ministry of Gender, Children and Social Development from where disbursement of the cash transfer is done. A total of 12 focus group discussion participants were involved in two separate sessions, one for men and the other for women. Every participant in the FGDs was required to have been a member of the OPCT for at least five years.

FGDs were conducted on the particular day when the beneficiaries of the OPCT gathered to receive their monthly allowances at their respective pay-points.

The exercise took between 30-60 minutes per session. The duration of each FGD session was defined by factoring in the availability of the participants and their endurance span. FGDs provided data on opinions and experiences with regard to the management of cash transfers, challenges, and social and economic benefits of the OPCT in the lives of the beneficiaries.

### 3. Results and Discussions

The study found there was a slightly higher number of females (58%) OPCT beneficiaries compared to males (42%). This finding concurs with a study conducted in Makadara in Nairobi Kenya that showed a high number of female beneficiaries than males [25]. This is in consonance with other studies that have found that OPCT is dominated by female beneficiaries [26,27]. According to a number of Demographic and Health Surveys (DHS), women often have a longer life expectancy than men. For the case of Mulundi sub-Location, there were more women (53%) whose spouses were diseased suggesting that they may not have the required social support (Table-1).

**Table 1.** Demographic characteristics of the study population

Investigated Variables	N=113	
	N	Percentage (%)
Gender		
Males	48	42
Females	65	58
Age Group		
65-70	45	40
70-75	23	32
75-80	24	21
85 years and above	8	7
Marital Status		
Married	36	32
Separated /divorced	17	15
Widowed	60	53
Education Level		
None	49	43
Primary	37	33
Secondary	23	20
College/University	5	4
Household Size		
1_3	40	36
4_6	46	41
7_9	21	19
≥10	6	5

The majority of the OPCT beneficiaries in Mulundi sub-Location were aged between 65 and 75 years old (Table 1). According to the operational manual all persons (men and women) 65 years and above living in Kenya are eligible for Old Persons Cash Transfer [28]. This means that in Mulundi sub-Location there is a high number of newly enrolled beneficiaries. The results showed that more than half (53%) of the beneficiaries of OPCT were above 70 years old. This suggests that the beneficiaries might be vulnerable to poverty because they may have difficulties engaging in any kind of income-generating activity. This age group also requires more nutritional support and health care from the caregivers or the children.

A significant number of the beneficiaries of OPCT had attained at least primary/basic level of education. This level of education meant it was possible for individual beneficiaries to work on simple calculations, particularly when budgeting or planning for basic financial expenses for their households [29]. However, a majority of the beneficiaries never attended school in their lives. This meant that there is a high illiteracy level amongst the elderly population in Mulundi sub-County. This comes

with other challenges such as failure to understand or appreciate the requirement and benefits of getting enrolled in the programme.

According to a study undertaken in Kenya on the aging population and societal trends, it is easier for OPCT beneficiaries who are literate to understand the requirements of the programme than it is for beneficiaries who are illiterate [30]. This finding also implies that if the majority of the beneficiaries are illiterate, it is more likely that they do not have other sources of income such as pensions, since they did not have any formal employment before [31]. The majority of the respondents in this study indicated that they had between 4 and 6 dependants in their households which translates to more spending on basic needs and this contributes to limited resources available for other needs. Such beneficiaries are more vulnerable.

Most of the elderly men and women in Kenya who are 65 years and above depended mainly on their family members, well-wishers and the government through the OPCT [6]. Old persons' Cash transfer has been a suitable programme for poverty alleviation among the elderly population in Kenya [32]. This study revealed that the

programme was the primary source of income for the vast majority of OPCT beneficiaries in the Mulundi sub-location (79%) (see table 2).

**Table 2.** OPCT beneficiaries' main sources of income

Source of income	F	Percent (%)
Casual laborer	6	5
Business	8	7
Cash transfer	89	79
other sources	10	9
Total	113	100.0

These findings are consistent with other studies conducted in different regions of Kenya that came to the conclusion that the OPCT served as the primary source of income for the vast majority of the elderly population [26,25,33]. In the current study, it was established that there are opportunities to earn some income through casual jobs in the village. However, some of these jobs can only be carried out not by women but by men particularly those who are relatively strong. The results show that only a few beneficiaries of OPCT (21%) were capable of engaging in minor casual jobs, and small businesses particularly selling farm produce. One of the participants in the FGD explained,

*Due to high cost of living and increasing financial needs, I have earned some money on several occasions when I used my donkey to transport water from the river to construction sites. I usually sell 20 litres of water at between Ksh. 20-50 depending on the distance. I am 65 years old, so this is not a very hard task for me to do whenever I need to earn some money and there is an opportunity – Mutua (not his real name).*

An analysis of how the elderly population spends their money was important in this study in order to establish their priority in the expenditure and budgeting on household items. This study established that a majority of the OPCT beneficiaries' priority was to buy food for their

families (table 3). These findings concur with those of Kabeer and Waddington who found OPCT very important in supporting the less fortunate and vulnerable elderly populations from hunger and malnutrition [33]. Similarly the current study is in consonance with a study conducted in Bangladesh by the UK Department for International Development which found that OPCT is an initiative that promotes the provision of food and nutritional care for elderly people [34].

Other financial needs such as payment of school fees, medical bills, buying clothes, livestock keeping, business investment and shelter in that order were considered important. A majority of OPCT beneficiaries (74%) indicated that the monthly stipend they received from the programme was used to cater to school fees for their dependants who included grandchildren (table 3). This means that the cash grants for the elderly play an important role in supporting education in Kenya. Other beneficiaries utilized the cash in minor healthcare needs. These findings are in agreement with the Kenya Social Protection Sector review report [6], which shows that cash transfer plays a significant role in the provision of finances to buy food and spend on healthcare among the beneficiaries.

During the FGDs one of the female participants aged over 65 years old explained thus,

*I have always utilized a portion of the cash I receive from the programme to buy food items at least once in two months. My family can afford at least three meals in a day. For example, if I buy a half sack of maize, it can take us one to one and a half month*

Another FGDs participants aged 84 years had the following to say,

*Recently I suffered a mild stroke and was hospitalized at Kitui General Hospital. Fortunately, my NHIF card was up-to-date and helped a lot in paying the hospital bill. I had just received the cash from the OPCT programme which I used to pay for some medicines and transport to the hospital. I feel I was fortunate to have had the cash at the time”.*

**Table 3.** Categories of financial needs of the OPCT beneficiaries

Financial Needs	Not important	Least important	Important	Very Important
Food	6%	19%	31%	44%
Shelter/rent	100%	0%	0%	0%
Education	7%	19%	44%	30%
Clothing	21%	44%	25%	10%
Health	25%	23%	40%	12%
Business	42%	49%	9%	0%
Livestock	17%	28%	46%	9%

Studies show that most elderly people who are 75 years and above are generally prone to several health problems resulting from lowered immunity besides being less capable of engaging in productive activities [35]. This explains why in this study, many elderly men and women within this age bracket used some of the money for healthcare services.

The majority of the elderly live in their own homes and on their own land, and thus they did not have rent and related bills to pay. This reduced burden on the elderly because they could utilize the cash they got for other pressing needs in their households. This is at variance with the experiences of the elderly living in rental houses in urban areas where they have to budget for rent every month, thus making them more vulnerable [25,26].

Although the OPCT programme is meant to empower the elderly populations [8,16,36], this study found that only a small percentage (7%) of the beneficiaries had invested in small businesses where they could get some additional income. This was attributed to age limitation, lack of education and inadequate funds to make investment. Few beneficiaries earned additional income from selling livestock products such as milk and eggs. Since OPCT is not a conditional cash transfer scheme, the beneficiaries are free to use the cash on whatever item they feel is more pressing. As a result, many of the beneficiaries are left with little money to invest thus making them vulnerable. Unlike the elderly people living in urban areas where rainfall is sufficient to support crop cultivation [25,37], the elderly population in Mulundi sub-Location, a rural setting, has few avenues to make extra income. The situation is exacerbated by harsh weather conditions when crops fail, which negatively impacts food availability further leaving the elderly more vulnerable.

Research has shown that the provision of appropriate financial programmes with appealing products can enhance rural development [38]. In the current study, a number of the respondents (44%) increased their savings, which helped them to buy some household items such as television and solar panel that improved their quality of life. The foregoing suggests that some beneficiaries of OPCT utilize their money to do household development projects. For instance, one of the beneficiaries explained that he acquired a mobile phone using savings from sales on his farm. Having a mobile can promote sales in a business as asserted in [39,40]. According to a study conducted in western Kenya on the impacts of mobile technologies on cash transfer and self-employment among the vulnerable population, it is easy for a user to switch to self-employment due to the ease of communication and mobile money transfer that comes with it [41,42]. It may, however, be necessary to train the beneficiaries or their caregivers on financial matters to strengthen their financial planning. The elderly can thus boost sales from their farm produce and supplement what they get from cash transfers.

Unlike the requirements for other types of cash transfer programmes in Kenya and other Sub-Saharan African

nations, there is no gender discrimination in Kenya's OPCT programme [5,43]. In that regard, any Kenyan, both men and women aged 65 years and above are eligible for the OPCT. The social impact of cash transfer programme was evaluated in terms of gender representation in the programme, the status of intra-household relations, accumulated wealth and involvement of the beneficiaries in community development activities. This study shows that Mulundi's OPCT beneficiaries were more likely to be women (58%) than men (42%). Some of these women were widowed. Women have a huge responsibility of meeting the financial needs of their families despite the limited resources. They are capable of handling money and settling their household financial needs even at times of limited cash [5,34,43,44,38].

In every community, factors like accumulated money, control over assets, property ownership, adherence to laws and customs, and ownership of property can all affect a person's social standing [36]. Psychological well-being and affordability to make investments are some of the benefits associated with financial security in different households. In Mulundi more than 70% of the beneficiaries' households had generally good intra-household relations. However, a small percentage (15%) experienced bad relationships within their families. The elderly attributed this to neglect by their caregivers who were often not available to provide health care or nutritional foods. Some beneficiaries especially those with difficulties in walking felt neglected when there was no one to assist them. From the FGDs, one of the female participants aged 78 years had the following to say,

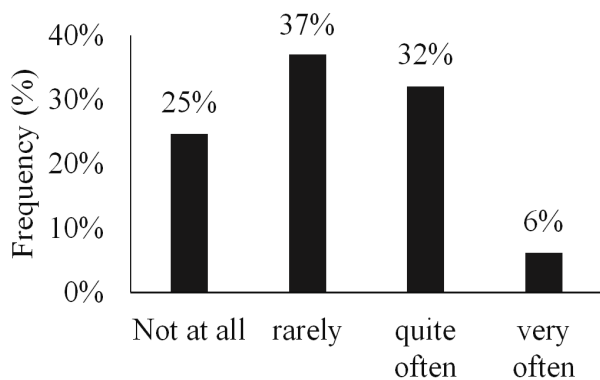
*It is hard to explain the relationship that one has with his or her family but at some point I have felt neglected because personally I have difficulty walking. It becomes difficult for me to do most of the house chores by myself. My children are rarely found at home because they have to earn a living through casual jobs. Sometimes I feel helpless because I don't have anybody to help me when I need it. I wish I could afford to pay for a caregiver but I have no money to do that.*

Although the majority of the OPCT beneficiaries felt that the cash grants were inadequate to cater to most of their needs, there was some level of satisfaction that prompted harmony amongst the family members. This corresponds to the study findings by [39] that concluded that financial support in poor rural households plays a great role in enhancing psychological well-being between the members of the families.

A small percentage of respondents (29%) expressed satisfaction with the programme. In addition, some respondents pointed out some positive outcomes of the cash transfers programme as reflected in several households where more than 50% of the respondents indicated that their intra-household relationships were good or better. However, some respondents asserted that

they had accumulated most of their wealth for many years before the OPCT programme. Thus a majority (86%) of the respondents considered themselves wealthy but they indicated that most of what they owned was not acquired using the cash they received from the OPCT programme. Some of the items mentioned included livestock, land, houses, and savings. Such wealth was attributed to the ownership of land, property, livestock, or savings. This seems to suggest that the OPCT programme has not yet been considered as an initiative that can bring changes in social standards among the respondents in Mulundi sub-location.

Involvement of the elderly in community development activities is considered important especially where the incorporation of ideas from senior members of a community and gender equality matters are key topics [32].



**Figure 3.** Involvement of the elderly in community development and social activities

A significant number of the respondents (38%) indicated that they were often involved in community activities while others were rarely involved (37%). A quarter of them was never involved in community activities (Fig. 3).

According to the Organization for Economic Co-operation and Development, elderly members of a community should participate in cultural ceremonies in order to ensure cultural continuity [37]. A significant number of cultural events are still relevant where the elderly are key pillars in their continuity and preservation. However, this study found that a good number of the elderly were rarely involved in community activities and this is probably because of long walking distances, inefficient and unreliable means of transport in the study area and individual preferences.

Studies conducted in various parts of Kenya show that the majority of people who benefit from cash transfer programs are dissatisfied with the amount and frequency of the payments. [35,26,29,45]. However, some demographic factors can greatly influence the kind of impact beneficiaries experience [45].

In this study, half of the OPCT beneficiaries (50%) felt that the monthly stipend they received was inadequate. The

beneficiaries were only capable of catering to the basic needs that required relatively less amount of money. These included buying food, paying school fees and payment for minor healthcare services. Beneficiaries that managed to make some extra income were also involved in some community development activities. This concurs with one of the intended outcomes of the OPCT which is; to involve more elderly people in community development activities [46,47]. A small percentage of the beneficiaries (36%) felt that the funds were slightly adequate.

Research has found that conditional cash transfer programmes are more effective in improving the well-being of the beneficiaries [47]. According to the findings of that study, some extra initiatives to supplement OPCT might boost the socioeconomic well-being of the elderly in Kenya. The vulnerable population enjoys more benefits when a variety of cash transfer programmes are available [39,47].

Despite the consistent increase of the budget for the old persons (from Kshs. 400, 000 since inception of the programme in 2007 [48] to the current more than KShs. 2 billion, this study established that the amount of money that each beneficiary received was relatively inadequate. The inadequacy was attributed to the increasing number of OPCT beneficiaries and the household size [48].

The national challenges associated with the performance of OPCT are mainly related to poor coordination in the programme, irregularity of cash flow, lack of clear monitoring and evaluation procedures, and registration problems, among others [26]. The OPCT beneficiaries in Mulundi highlighted some of the challenges they experienced in the programme, which are similar to those identified in other studies [16,39]. Table 4 summarizes the challenges experienced by OPCT beneficiaries in Mulundi. These challenges include irregular payment intervals sometimes delaying the monthly stipend for between 2 and 5 months. More female (56%) than male beneficiaries (32%) indicated that this was a common challenge irrespective of gender ( $X^2=0.43$ , p-value 0.84). It was challenging for the beneficiaries to plan ahead or take better care of their financial demands as a result of this unpredictability. A group of beneficiaries experienced challenges particularly when they had to walk for long distances to collect their monthly payment- the means of transport were inefficient and unreliable. Indeed, some beneficiaries or their caregivers reported occasions where they missed the payment because of arriving late on the payment day. According to the beneficiaries, this problem could be avoided by introducing more agents and payment outlets as long as proper record- keeping and adherence to the set regulation are maintained. This was the initial plan according to the consolidated operational manual [24] that the payment agents were supposed to be distributed at the sub-county level in the country where the Locational Targeting Committee (LTC) plays the role of identifying the eligible beneficiaries and the challenges they experience in the process.



**Table 4.** Challenges experienced by the beneficiaries of OPCT

Challenges associated with OPCT	YES					NO					X <sup>2</sup>	p-value
	Males		Females		Males		Females					
	N	F	%	F	%	F	%	F	%			
Irregular cash grants	113	36	32%	63	56%	6	5%	8	7%	0.43	0.84	
Incorrect personal information	113	4	4%	8	7%	38	33%	63	56%	0.06	0.81	
Loss of identification card	113	7	6%	14	12%	35	31%	57	51%	0.11	0.74	
Lack of clear procedures for handling complaints	113	29	26%	49	43%	13	11%	22	20%	0.17	0.89	
Delayed registration of new applicants	113	21	19%	33	30%	21	19%	38	33%	0.65	0.79	
Insufficiency of funds	113	29	26%	49	43%	13	11%	22	20%	0.17	0.89	
Too many dependants in a household	113	24	21%	40	36%	18	16%	31	27%	0.00	0.98	
Lack of transparency and corruption among officials	113	21	19%	39	35%	21	19%	32	28%	0.18	0.67	
Limited advice/knowledge in financial management	113	24	21%	45	40%	18	16%	27	23%	0.29	0.58	

Cash transfer programmes are considered effective in poverty alleviation among vulnerable rural households but some irregularities, lack of transparency and corruption have been identified as common hindrances in the implementation of the programmes [49,2,25]. This study established that cases of disparity, misrepresentation during registration, poor handling of documents and missing payments were common. Delayed registration was also witnessed by many informants (48%).

One of the key informants observed,

*I sometimes receive comments from new applicants of the programme saying that they got frustrated on their first day of registration. The protocol, required documents and the amount of time spent on the registration need to be improved so that the elderly can have an easy time in the process. KI-2*

Similarly, issues such as lack of transparency and malpractices at the OPCT coordination office were highlighted by the beneficiaries as some of the challenges. This contributed to poor management of the programme as well as beneficiaries' lack of trust in the programme. The majority of the beneficiaries also noted the management of the OPCT programme lacked clear procedures for handling their complaints and grievances (69%, X<sup>2</sup>, p-value=0.89). There is, therefore, a need to streamline some of the procedures in the registration of new beneficiaries. The foregoing notwithstanding, there were mixed reactions with regard to some of the challenges with more female than male beneficiaries feeling that there were delays in the registration process (table 4).

A significant number of the OPCT beneficiaries (26% men and 43% women) felt that the money they received

was insufficient to cover most of their financial needs. Although there were generally more female than male respondents in this study, the results imply that a high number of women found it difficult to cater to their households' needs especially those that had a high number of dependants (more than 5) (36%, X<sup>2</sup>=0.00, p-value=0.98). The harsh Kenyan economy in the recent past also greatly contributed to inadequacy of the available cash to cushion the elderly, which is also reported in other studies [35,50]. The negative effects of the COVID-19 pandemic, higher food prices, high fuel prices, high transport costs, higher taxes, higher production costs, and the nation's economic constraints were all mentioned as economic challenges that were thought to have contributed to the rising household expenses and the small surplus from the cash transfers.

The participants in this study irrespective of gender (X<sup>2</sup>=0.29, p-value=0.58) generally felt that the OPCT programme would be more effective if there was incorporation of mentorship and training to guide them in making more appropriate use of their money. Sixty-one per cent of the respondents felt that there was a need to organize seminars where they could learn some skills in financial management and how best to utilize the limited funds they received from OPCT. This is likely to enhance the effectiveness of the cash programme amongst the elderly whose alternative sources of income are limited.

This study noted that there were few payment outlets in Kitui, which resulted in overcrowding when the beneficiaries went to collect their payments. KCB bank in Kitui town was the only disbursement agent with banking services serving Kitui Central and its surrounding areas. The other agent outlets were in derelict conditions and lacked the necessary sanitary facilities and waiting bays.

According to [51] the replacement of the old Kenyan banknotes with new-generation banknotes in 2019 raised several concerns in Kenya. Some people lost money when new Kenyan currency notes were introduced. The elderly population expressed that it would take a while to get used to the new Kenyan banknotes. Indeed, several informants said they lost money due to wrong identification of the notes.

## 4. Conclusion

This paper sought to establish the socioeconomic impact of the Old Persons Cash Transfer program in rural Kenya. The economic impact of the programme was assessed by looking at the various sources of income available to Cash transfer recipients. This study established that the OPCT programme was the primary source of income for the majority of the elderly population in the Mulundi sub-location. The newly enrolled beneficiaries who were aged about 65 years are able to earn extra money other than OPCT stipends. They do this by engaging in some forms of casual labor and small businesses, for example, selling farm produce to supplement their income. The older age group of the beneficiaries highly depend on the cash grants for their needs including health care and have limited alternative sources of income.

This study established that most of the OPCT beneficiaries utilize a big share of the money to buy food items for their households. Some beneficiaries also use the money to pay school fees for their dependants while others buy clothing and livestock. However, the majority of the beneficiaries feel that a grant of KShs. 2000 per month is not adequate to cater to most of their financial needs. Irregular disbursements of the cash grants contribute to dissatisfaction of the beneficiaries in the OPCT programme. It is concluded that if the grants are paid regularly and predictably many households could use the money to promote food production among other benefits.

The majority of the elderly population in the OPCT programme are women, many of them widowed suggesting that they lack companionship, and make individual decisions on spending the money but they also face a wide range of financial needs in their families, which they have to meet on their own. This suggests that women beneficiaries may be more vulnerable than male beneficiaries due to low social security and lack of alternative sources of income especially those that solely depended on the OPCT grants. The alternative sources of income for most of the OPCT beneficiaries are either cash given from family members or small incomes from sales made from farm produce. Beneficiaries who enjoy good family relations are more likely to receive good care from their care-givers and other support from their family.

OPCT programme has made positive contributions to the socioeconomic lives of the elderly. However, the

programmes face a number of challenges among them inadequate and irregular disbursement of funds, poor management, lack of transparency in the processes and other malpractices, besides the lack of appropriate structures for the beneficiaries to channel their grievances. These need to be addressed to make the OPCT programme more efficient in order to fully achieve its intended objective of improving the socioeconomic welfare of the elderly.

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