



Evaluation of the Kenya Hunger Safety Net Programme Phase 2

Drought Emergency Scale-up Payments Process Review –
Final report

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LIST OF ABBREVIATIONS

List of abbreviations

CDC	County Drought Coordinator
CSG	County Steering Group
CT-OVC	Cash Transfer-Orphans and Vulnerable Children
FSD	Financial Sector Deepening
HAI	HelpAge International
HSNP	Hunger Safety Net Programme
KES	Kenyan Shilling
MCA	Member of County Assembly
MIS	Management Information System
NDMA	National Drought Management Authority
OPM	Oxford Policy Management
PILU	Programme Implementation and Learning Unit
PM	Programme Manager
PMT	Proxy Means Test
PO	Programme Officer
RC	Rights Committee
SPRC	Social Protection Rights Committee
VCI	Vegetation Condition Index
WFP	World Food Programme

1 Introduction

1.1 OVERVIEW

This report presents findings from the process review of the Hunger and Safety Net Programme (HSNP) drought emergency scale-up payments, commissioned under the independent evaluation of the HSNP. The review provides an independent account of stakeholders' experiences in the implementation of the first two rounds of emergency payments in April and May 2015.

HSNP is an unconditional cash transfer programme in the four most northerly counties of Kenya, Mandera, Marsabit, Turkana and Wajir. When running at full scale it aims to provide the poorest 100,000 households with a regular cash payment into a bank account, reaching up to an additional 272,000 households with emergency payments to help mitigate the effects of shocks such as droughts and floods. As of November 2015, almost 85,000 households receive regular payments. Over 90,000 households received drought payments in April and May 2015. Further information about the HSNP can be found at <http://www.hsnp.or.ke>.

This review relied on a **process tracing exercise** with national and county-level stakeholders. This helped to map out key activities undertaken as part of the emergency scale-up, understand the decisions and actions taken at various stages, and document the outcome of these. The aim was to ascertain any bottlenecks or challenges and identify solutions.

The review took place between 22 and 29 June 2015. OPM conducted interviews in Nairobi and in three out of the four counties (Marsabit, Wajir and Turkana) where HSNP operates, with institutional officials involved in supporting poor people in the four counties through the early 2015 drought. Interviews focused on the process of implementing the emergency drought scale-up payments that took place in April and May 2015, with a view to garnering the perceptions of key stakeholders, the level of information they had access to, and their ideas regarding how the scale-up system could be improved. Some recipients of the cash were also interviewed. Findings have been corroborated against beneficiaries' and key informants' views on the emergency payment operations; these views were collected during the first round of qualitative research conducted as part of the mixed methods impact evaluation.¹ Data collection for the first round of qualitative research took place in August 2015. Findings on the impact of the scale-up payments on recipient households will be presented as part of the first qualitative impact evaluation report.

A list of key informants interviewed is included in 0. The semi-structured question guides that underpin this review are included in 0. 0 presents a review of the HSNP management information system (MIS) data quality; these findings are discussed below (see section 2.3).

¹ See Hunger Safety Net Programme Evaluation of HSNP Phase 2: Inception Report, July 2015.

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1.2 BACKGROUND

Scaling up the HSNP transfers during droughts, and scaling back when the drought is over, is one of the objectives of the HSNP. Since 2014, systems have started to be built to help the government of Kenya put in place the capacity to scale up cash transfers in the northern counties to mitigate the effects of drought:

- Early in 2014, a team of consultants was hired to design a scale-up of social protection in Kenya. The document they produced provided information on the concept of ‘scalability’, National Drought Management Authority (NDMA) early warning systems and an outline of options for financing. This led to the development of a framework document for scalability.
- In May 2014, a draft ‘Manual of Operations’ was developed. The manual was not implementable since it assumed a functioning payment infrastructure and did not establish an indicator that would be used to trigger payments. It also did not factor in the costs of building a payment system that could handle scale-ups, although the discussion stimulated follow-up work on the costing of emergency scale-up payments in the event of drought.
- In September 2014, a consultant worked on short-term scalability guidelines with an emphasis on funding. A costing model was developed that enabled the Programme Implementation and Learning Unit (PILU) and NDMA to cost a range of scale-up options on the basis of the Vegetation Condition Index (VCI) data for the last 14 years. Additional support in developing this costing model was provided by the World Bank and the UK Department for International Development (DFID). An options paper on HSNP scalability was produced that set out the principles guiding scalability, the rationale for parameters chosen, and the costs and funding options.
- In March 2015, amidst deteriorating drought conditions, it was assessed that the most feasible and affordable approach was to scale up payments to households beyond routine recipients up to an overall coverage of 50% in sub-counties hitting the ‘severe’ threshold and 75% in sub-counties hitting ‘extreme’ as measured by the VCI. The approach was subsequently refined to allow county officials the opportunity to add additional neighbouring sub-locations in sub-counties where the VCI threshold had not been reached sub-county-wide, but which were considered locally to be severely affected by drought.

Following poor rainfall in 2014, food security in the four HSNP counties worsened. In February 2015, 10 counties reached severe drought status and two were in extreme drought status. A single scale-up payment was made in April 2015 to 90,000 non-routine HSNP recipients, otherwise known as Group 2 households.² This payment covered the period between January and March 2015. In April 2015, although VCI data showed improvement in drought conditions, nine sub-counties still hit severe or extreme levels of drought, triggering a second emergency scale-up payment in May 2015.³ A new allocation formula was proposed based on an equal-share split between drought status and population (see Box 1 below). Given that these two payment rounds were executed as pilots, the lessons learned need to be documented to help refine the operational processes and the overall strategy, as well as help in the further development of implementation guidelines for

² Recipients of regular bi-monthly HSNP cash transfers are known by programme administrators as ‘Group 1’. All other households on the HSNP MIS are known as Group 2. Group 2 households receive emergency scale-up payments.

³ Subsequent to completion of this Emergency Payments Review, two more scale-up payments have been made: one in October 2015 for sub-counties hitting severe or extreme drought thresholds in September 2015; and one in October 2015 in anticipation of the *El Niño* weather system.

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the NDMA to make subsequent payments. This report provides an independent assessment of the experiences of these two pilots based on interviews with transfer recipients and programme managers (PMs) at county and national levels.

Box 1 Revised county allocation formula for emergency scale-up payments

The county cash transfer allocation is reallocated to all sub-locations in all sub-counties that are in 'moderate', 'severe' or 'extreme' drought using the following formula: 20% equal share (to all sub-counties); 40% drought status based on VCI status (on a scale of: moderate = 1; severe = 2; extreme = 3); 40% population (this is the Group 2 population as Group 1 is not part of any scale-up operation).

This mirrors the Kenyan government's Commission for Revenue Allocation formula, which was modified in the initial allocation of routine HSNP beneficiary quotas to the four counties. This was based on a three-way split: 25% equal share; 30% based on poverty; and 45% based on population. The proportions above give greater weight to drought and population (40% each). This is justified on the basis that the cash transfer is primarily drought assistance and should benefit the areas where drought conditions are worst with the highest populations.

2 Findings

2.1 PERCEPTIONS OF EMERGENCY PAYMENTS STRATEGY AT COUNTY LEVEL

Perceptions of the drought emergency scale-up payments strategy are generally positive at county level. However, there are provisos around the use of the VCI for geographic targeting, the use of a proxy means test (PMT) for targeting households, and the application of the allocation formula as used in the May round.

The targeting of the scale-up payments works through a combination of the VCI, the same PMT methods used to select Group 1 members, and a formula to allocate levels of resources between sub-counties. County officials appreciate that this system is much less resource intensive than the long-standing post-rains assessment method. However, they also express a lack of trust in the HSNP scale-up targeting methods, questioning the accuracy of both the VCI and the PMT elements of the system, as well as the acceptability of the allocation formula (more on this in Section 2.3 below). The HSNP approach is thus perceived as Nairobi-based and a sharp contrast to the participatory system that it aims to replace.

The post-rains assessment method is tried and tested over many years as the way of determining how drought-related social welfare resource transfers will be distributed. It is participatory and consultative in nature, with data coming from the sentinel sites and with county officials travelling to observe conditions, interview people, observe migration patterns and eventually reach a consensus at county level on drought mitigation resource distribution. As it is so long-standing, senior county officials involved in drought responses have usually worked as assessment specialists, often for several years. They see the VCI/PMT/formula system as being potentially objective, clearly top down, fast and cheaper relative to the post-rains assessment method that relies on a large number of person-hours and local-level consultation. On the other hand, they perceive the lack of a participatory element to the decision-making as something that needs consideration (see

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Table 1 below). The range of discussion generated by the comparison of the two methods of assessment points towards a demand for a more systematic gathering of information (e.g. costs and time for data collection) on how the county governments reach a consensus with NDMA on the impacts of drought, with a view to pushing towards greater clarity and consensus on methods.

There are a number of issues that could be clarified. Trust in the VCI element is not strong, with widespread misconceptions about the potential for Prosopis to bias the data. It is widely believed that initial targeting using the VCI should thus be triangulated with local-level verification and dialogue with county policy-makers, in order to reach a consensus on final resource allocations for the drought scale-up based on a set of evidence that the county stakeholders have faith in. Recognising this, the PILU is in discussions with NDMA, the Food and Agriculture Organization and the International Livestock Research Institute with a view to producing some material aimed at briefing concerned parties on VCI.

The accuracy and viability of the PMT element of the emergency scale-up targeting was also called into question (see also Section 2.3 and 0)—mention was made of community-based targeting (as seen in Ethiopia). There is thus a sense that a discussion needs to be had over the medium term about the various targeting options available, while maintaining a long-term vision of how targeting will be achieved when capacities are stronger at the local level. The costs of the PMT approach, possibly including a community validation stage as a modification (as used, at least in theory, by the Cash Transfer-Orphans and Vulnerable Children programme (CT-OVC)), needs to be weighed up against the possibility of elite capture of the process at the local level.

For these reasons a need was expressed for better communication of the current targeting procedures, due to the fact that targeting is complex and requires a strong effort over a long time to reach a point where it is well understood by citizens.

A still further question raised by interviewees was the cost of the census-style registration system and the need for reregistration at reasonably short intervals. Officials queried the extent to which the Kenyan government's PMs will be able to justify this cost to their oversight committees once costs are mainly being covered by Kenyan tax payers. If those costs cannot be justified, they will need to devise a simpler way of targeting that may not be so accurate, but will be judged to be better value for money by the decision-makers.

With regard to the payment mechanism and process, development partners universally applauded the achievement of pulling off in practice what was a considerable technological improvement on previous routines. Yet they also acknowledged that this feat required significant capacity building in a wide and remote area in order to make it happen.

Several development partners were of the view that the medium-term future regarding cash transfer methods would involve moving towards more recipient choice on how to receive the transfers. Cash transfers could be received via an Equity account and paypoint, for example, or via a mobile technology such as M-Pesa. Some posited a trend towards cashless transactions, for example, because they believed the logistical challenge of moving physical cash to remote areas of northern Kenya will ultimately push systems towards favouring cashless transactions that will eliminate the costs associated with those challenges. And with liquidity constraints being a more general issue in these areas, this logistical and administrative cost issue only becomes more apparent during emergency drought scale-ups because more cash needs to be made available to service the larger number of customers.

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This issue is of relevance also with respect to the interface between drought-triggered cash transfers in the HSNP core counties and those in other counties. Cash transfers in which the World Food Programme (WFP) is involved use M-Pesa. There may come a time where one system will operate for cash transfers across all arid and semi-arid districts. Thus, a dialogue on moving towards a unified system should continue, fed by evidence of what works discussed in technical and political fora over the medium term.

There is thus a general sense that while the HSNP model for emergency scale-up payments—transferring cash straight into bank accounts based on satellite photography and with prior registration—is possibly a more objective way of deciding on the distribution of social welfare resources than the post-rains assessment method, there remain some important questions that need further dialogue.

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TABLE 1 OBSTACLES TO ACCEPTANCE OF HSNP EMERGENCY SCALE-UP PAYMENTS ALLOCATION AND TARGETING SYSTEM AND POSSIBLE ACTIONS TO OVERCOME THEM

OBSTACLE	POSSIBLE ACTIONS
Some doubt the VCI's efficacy; some interviewees thought spreading Prosopis might be biasing the satellite data interpretation.	<p>A communication campaign to explain how the VCI works should help people understand it better; for example, Prosopis spread does not bias the data, yet this is not understood at county level.</p> <p>Conducting systematic ground truthing, or verification visits to confirm the results of the VCI, at least for an interim period, would help build local confidence in the accuracy of the VCI.</p>
A lack of trust in the accuracy of PMT as an element of targeting is widespread. County officials say that it is especially younger, more educated interviewees who assume that questions being asked are related to future disbursements of social welfare and thus game the system by under-reporting their consumption and assets or over-reporting their vulnerabilities (HSNP MIS data can be seen to corroborate this to some extent; see 0). Older, more honest respondents who would have qualified are thus squeezed out.	<p>Communicating the results of the upcoming HSNP evaluation's assessment of targeting to country and local-level operatives as well as citizens would help build understanding and inform opinion.</p> <p>Opening up a discussion of alternative methods of targeting to look at the pros and cons of different options and the evidence for and against each could result in a greater sense of ownership in targeting methods and better understanding all round if the results of the dialogue are well communicated to the local level.</p>
This is a general issue, which comes to the fore again as new households start getting money, and households perceived as worse off still remain off the HSNP books.	<p>Implementing the community validation of the PMT results and alteration of final lists would further build trust and ownership of targeting.</p>
The post-rains assessment method is well understood and participatory, yet resource intensive compared to HSNP's method.	<p>A cost comparison of HSNP versus the post-rains, assessment aimed at a policy discussion around merging good elements of the two approaches, will help the HSNP method gain more support.</p> <p>This could also include another round of consultations at county level regarding how to involve local and county officials more in the design and decision-making of HSNP drought scale-up.</p>

In sum, programme implementers and stakeholders at the county level perceived that the HSNP drought emergency scale-up payments strategy was potentially more objective and efficient than the traditional approach to determining how drought-related social welfare resource transfers should be distributed. However, they called for more local participation to be built into the design and decision-making process, and raised a number of issues that require further consideration and consensus building:

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- targeting and allocation of resources;
 - political acceptability of the allocation formula;
 - accuracy of the VCI;
 - accuracy of PMT;
 - cost of the census-style registration system that underpins PMT;
 - communication of current targeting;
 - discussion of other targeting options;
- the capacity required to make the HSNP system function properly across wide and remote areas; and
- the need for beneficiary choice in payment modalities.

2.2 COMMUNICATIONS

The HSNP communications strategy guides communication activities for both routine and emergency payments at both national and sub-national levels. In the months prior to the first round of emergency payments, a number of consultations were held at national level to discuss the various resource allocation options presented in the emergency payment strategy document. In the weeks preceding the first emergency scale-up payments, a final consultation was held to share and discuss the option taken.

National-level stakeholders showed an overall awareness and a high level of engagement in the emergency payment strategy, though there was a general feeling of the need to capture and communicate lessons learnt to maintain interest and build trust.

Evidence from this review and other assessments of the HSNP targeting have shown that the emergency payments are made against a background of existing contentions and mistrust about HSNP targeting. After all, HSNP is using new methods in an area where a long-standing alternative way of doing business has been the norm. This makes it imperative that communication about emergency payments is clear, accurate and wide reaching.

The evidence from this review finds a number of challenges with respect to communications under the emergency payments.

At the sub-national level, county drought coordinators (CDCs) are the first point of call for communication between the PILU and the counties on the emergency payments. Communication between the PILU and the counties take place via regular workshops, field visits, phone calls and email exchanges. The CDCs are in turn responsible for communicating information about the programme to other stakeholders at county level through the County Steering Group (CSG). The effectiveness thus depends on high-level participation at CSG meetings and the capacity of the CDCs (for example, the CDC in Marsabit appeared well versed about the developments in the overall emergency payments strategy). However, given the relatively short time scales between the decision to implement emergency payments and making them, not all members of the CSG could be mobilised and fully briefed in good time. Consequently, while CDCs appeared knowledgeable about the emergency payments, other stakeholders, such as HSNP PMs, project officers (POs), and Rights Committee (RC) members, often lacked knowledge about key aspects of the process, particularly around the technicalities

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of the VCI index, and how it informs household selection criteria. This often limited the ability of implementers to communicate the relevant information to communities.

For example, one RC member noted:

‘For something we don’t understand ourselves it’s hard to communicate to recipients. I am sure we look like liars to the recipients.’

Another added:

‘We are all unclear about the selection criteria. We are told by the NDMA that the list is drawn from Nairobi. I am very sure we add to the confusion. Sometimes we make excuses up.’

In many cases, with the exception of the CDC, there was limited awareness of the fact that a new allocation formula had been used for the May payments.

Some stakeholders expressed the need for the NDMA to share the report on which the VCI is based, and communicate to different stakeholders how it operates. At the time of this review, the PILU was in the process of developing a communication note that helps to explain the details of the VCI. While this could go a long way in dispelling rumours and misconceptions, it is important that this note is tailored to the different audiences (including reaching the community level) with different levels of detail as appropriate.

At sub-location and village levels, HSNP PMs and POs are in charge of coordinating communication. This includes coordinating the work of the Social Protection Rights Committee (SPRC) on key programme messages and sensitisation. In both rounds of payments a number of complementary communication approaches were used: public *barazas* (meetings led by chiefs and/or assistant chiefs), radio spots, leaflets, and field visits by PMs and POs. Key messages were developed by the PILU to help convey a consistent message across the counties and sub-locations. Communication content included information around key emergency payment processes such as payment dates, payment locations, payment amounts and beneficiary rights.

Overall the use of these multiple channels was reasonably effective in getting out the message about payments and in reaching a large number of people. In particular, the use of local FM radio spots, in areas with adequate radio coverage, allowed for interactions with listeners. However, the FM stations’ outreach is not great. The review found that there is a considerable amount of confusion amongst HSNP recipients regarding the meaning of ‘Group 1’ and ‘Group 2’ households (as has also been reported by PILU monitoring). There is a notion that once one has been paid as a Group 2 member, the household will become permanently added to the HSNP routine payment list (i.e. will become a Group 1 household). A key driver of this confusion seems to be that, often, it is not clear at the local level that Group 1 households are, on average, poorer than Group 2 households.

The effectiveness of communications may have been hampered by a number of factors.

- First, the communications started too late prior to the start of payment. Some key informants felt the activities were rushed. In some counties, communication went out three days prior to payments, thereby not allowing enough time for messages to reach the intended audience, for clarifications to be made, or for recipients’ expectations to be managed. Consequently, a large number of recipients and non-recipients travelled to paypoints seeking clarification (see also Section 2.4 below).

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- Senior officials at Equity Bank headquarters were of the view that this lack of detail in communication created pressure, leading to long waiting times at paypoints as pay agents tried to deal with queries on exclusions and differences in payment entitlements.
 - It was also noted that communication regarding the second payments was particularly hurried, and this limited the range of strategies that could be used. For example, in some locations, radio spots could not be used as there was insufficient time to draw up the needed contract. In Marsabit, these delays in communications had several ramifications, most significantly on pay agent liquidity.
 - As discussed below, failures to communicate beneficiary lists to pay agents on time affected pay agents' abilities to have sufficient cash on hand on the first payday.
- Second, some key informants at county level thought that the key messages lacked details on the targeting and payment process. In particular, they lacked detail on the role of the VCI and PMT in selecting beneficiary households, and, as discussed above, many stakeholders mentioned the difficulty in explaining the selection criteria when they themselves were unclear.
- In addition, the reasons that households in the same vicinity (e.g. Group 1 and Group 2 households) received different payment values were not clear to all. At community level, many had a fatalistic attitude regarding targeting decisions since it was not apparent locally that people who were being paid were worse off than those not selected.
 - It was also reported that because emergency payments were made in two consecutive months, recipients are now of the view that the expanded payments listing would continue indefinitely.

The following excerpt from a household case study with an emergency payment is illustrative of some of the challenges with communication at community level:

'I received the payments because I am not working. My neighbours know I have a problem. They know I have no work. My household has no assets. My husband rarely works and I have many children. They know my problems are many. Recipients on this programme are not selected at once. We were all registered but our names come in batches. When others were receiving earlier in the year, I was not jealous because they were lucky. It was their turn. In May, it was my time. Next month when they are paying the others, I will go back to the pay agent to check my account.'

- A third constraint to effective communication is related to logistical challenges that hampered POs in supervising the activities of RCs and chiefs, particularly in distant sub-locations. One PO was of the view that, without adequate support, one could not always guarantee consistency of key messaging conveyed to recipients, exacerbating the levels of misconception.

In sum, given the short time between decisions to implement and payments being made for the emergency drought scale-up, the effectiveness of communications around the emergency payments was curtailed. Not all CSG members were well briefed on key aspects of the scale-up such as targeting and payment processes, with county policy-makers, PMs and RC members especially confused about how the VCI works and its role, along with the role of the PMT, in the selection of Group 2 recipients. The lack of understanding of the emergency scale-up amongst both Group 1 and Group 2 households led to crowding at paypoints as recipients sought clarification. And the hurried timeframe for communications also reportedly constrained payments providers in their preparations, leading to even more exacerbated problems with liquidity for pay agents.

2.3 SELECTION OF SUB-LOCATIONS AND BENEFICIARY HOUSEHOLDS

Following a series of national and county-level discussions and consultations, the approach agreed for the allocation of the emergency payments was to make scale-up payments on the basis of extending coverage beyond routine recipients by up to 50 per cent in sub-counties hitting the 'severe' threshold and 75 per cent in those hitting 'extreme' as measured by the VCI index.

Views from county officials were that the reliance on such formulae was unfair. This was because, although some sub-locations may be in severe drought, this might not be captured by the VCI, which is aggregated at the sub-county level. This risks exclusion of households experiencing severe drought because the aggregate figure for the sub-county resulted in a moderate drought rating, which may not trigger an emergency scale-up payment. In addition, as discussed above, there was a misperception of the VCI index being biased by Prosopis plants, which undermined the trust officials had in the VCI as a basis for making emergency payments.

The VCI cut-off threshold was thus complemented, in the eyes of county officials, by allowing CSGs, led by the CDCs, the discretion to modify allocations to include sub-locations they perceived to be deserving but which were not captured by the aggregated sub-county VCI. On this basis several modifications were made in most counties. For example, in Marsabit, the March VCI showed Moyale and North Horr to be in extreme drought, and Laissimis as experiencing severe drought. The VCI indicated Saku as being only in moderate drought, yet the CSG identified five sub-locations in Saku for payment allocations to be made, since, according to local knowledge, these areas were also in severe to extreme drought.

While giving the CSG discretion to modify allocation can be seen as a way of validating the VCI, evidence from this review points to several critical issues that bear further clarification and consensus seeking between national and county policy-makers:

- The use of the VCI as a selection criterion was called into question by many stakeholders at the county level. The outcome of the initial allocation based on the VCI was seen to result in depth of coverage in the selected sub-counties. However, in many counties, a breadth of coverage was preferred. This was seen as better in maintaining the social relationships between communities that are interdependent on each other. CDCs felt that they ultimately held the responsibility of appeasing communities that were unhappy with the outcome of the initial selection.
- A consistent view from county officials was the need to combine VCI with other tools to facilitate a process of validation. Many were of the view that the VCI should be used as a supporting instrument rather than the prime decider. For example, one CDC suggested a Rapid Response Survey, implementable in three days and combined with a Technical Steering Group meeting, where members would review reports and recommendations emerging from the survey. That said, many key informants were aware of the trade-off between further verification and the speed of response, but stressed the importance of targeting accuracy and the role this plays in maintaining community cohesion.
- Although allowing CSG the room to make modification allows for some validation of the VCI, it was clear that the time given for a broad based consultative process was limited. In Marsabit, the CDC complained that the three days given to the CSG to deliberate on the selection of the sub-locations was inadequate to assemble all members of the steering group. The discussion of reallocation therefore relied on the views of only a few of the relevant stakeholders, leading to disgruntlement and accusations of favouritism.

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- With the exception of Mandera, there were no CSG meeting records or evidence to justify the selection of sub-locations in the counties. In Marsabit, although the CSG claimed that all meeting notes are documented, the review team was unable to track down minutes at the time of the research.

The above challenges and objections promoted a modification in the allocation formula used for the second pilot of the emergency drought scale-up. The second piloted allocation approach distributed emergency payments on the basis of equal shares, drought status and population (see Box 1 above). It appears that beyond CDCs there was limited awareness of HSNP PMs, etc. of the change in formula. However, CDCs were generally more happy with the new distribution, even if resources were more thinly spread and therefore perhaps less effective in addressing the severity of the crisis. The following quote from one CDC is illustrative of CDCs' broad view of the new allocation formula:

'We received an email from PILU about using an equalization formula. Someone saw the need for fairness. There is now a consideration of the symbiotic relationship between communities.'

However, the emergency payments simply reignited grievances about the targeting under the programme as a whole. Many national-level stakeholders raised the issue of regular validation to reflect changes in household circumstances. In particular, it was widely commented that results of the PMT can be easily biased depending on the honesty of answers given at registration stage. County officials, including the deputy governor and the director of HelpAge International (HAI) in Turkana, were adamant that gaming of the system through better-off, usually younger and better-educated potential HSNP recipients intentionally understating household assets resulted in more honest, older respondents being excluded. This finding seems to be corroborated by an assessment of the HSNP MIS data quality, which found that the number of dependents reported per household was implausibly high on average (see 0).

At the community level, knowledge of the allocation formula was limited. In particular, it was felt that the lack of awareness of households' PMT rankings created difficulty in communicating the selection of emergency payment recipients. Many non-routine recipients had been appeased by a promise that payments would be made to them at a later date and thus saw their receipt of the emergency payments as an opportunity to be absorbed into the programme. However, limited coverage created further distrust.

A review of the HSNP targeting has already been undertaken.⁴ This review confirms the perceptions of inclusion and exclusion errors. Many community members appear unaware of the targeting criteria, often attributing one's beneficiary status to matter of luck. In addition, perception of elite capture is widespread, with local chiefs and others accused of manipulating targeting outcomes. As one beneficiary noted:

'Selection is about who you know. Some very poor people have been excluded because the poor cannot raise their voice.'

Many community members were sceptical of the quality of data used for ranking. An RC member in Wajir noted:

⁴ Catherine Fitzgibbon, *HSNP Phase II Registration and Targeting Lessons Learned and Recommendations*, July 2014.

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‘Rather than going house to house, we were all called to one place and asked a question about what we eat.’

In Marsabit, it was felt that some exclusions were caused by a mismatch between names captured at registration and names on IDs, as well as large data losses at the registration stage. Many stakeholders called for community validation of final beneficiary lists.

In Mandera, the Takaba, Banisa and Elwak sub-counties got the most people registered while the other sub-counties got very few. A member of the county assembly (MCA) and CDC speculated that the reason for this was security, as few of those responsible for registration wanted to prolong their time in insecure areas. He also noted that 90 per cent of the recipients were from one particular sub-clan. The MCA was particularly bitter about this as his area (Niboi Ward) is one of the poorest yet has few recipients. Nevertheless, apart from the current issues around targeting, he approved of the programme and has championed the bill (under discussion by administrators) to match the number of beneficiaries in HSNP using funds controlled by the county assembly.

In sum, there is a fair amount of discontent around the selection of both sub-locations and households for the emergency drought scale-up payments. The VCI-based allocation is unpopular because it is not well understood at county level and does not recognise the need to balance community cohesion via ‘fair’ distribution. There is also confusion amongst households over targeting between Group 1 and Group 2, driven by there being no clear distinction in welfare status between the two groups. There is further confusion and dissatisfaction with the targeting as a result of the community wealth ranking exercise that was carried out during registration.

2.4 PAYMENT PROCESS

At national level, it was felt that once county allocations had been agreed, the relevant payment processes that need to take place between Financial Sector Deepening (FSD) and Equity Bank headquarters were effective and smooth, leading to timely disbursement of the emergency payments as expected in all counties. However, some felt that, overall, the response was slow, given that the data indicated an emergency crisis existing as of January of 2015. In some cases the poor account activation rates limited the extent of emergency scale-up.⁵

At the operational level, the payment process was described by many stakeholders as ‘disorderly’, ‘hectic’ and ‘tedious’. With the exception of Didkuro in Mandera, where recipients noted their satisfaction with the process, recipients and key informants spoke at length about a number of inefficiencies in the payment of Group 2 recipients. The sources and causes of these challenges are noted below.

⁵ At the time of the review, there were some 80,000 households with accounts opened but inactive due to ID issues. A process of instant issuance and activation of bank cards had been initiated, with agents being given account activation capacity to make up for long distances to branches.

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Firstly, distance to paypoints was the most commonly identified challenge within the payment process (see Box 2). There were several Group 2 recipients who mentioned walking up to three hours to reach pay points. Some elderly recipients were known to arrive at pay points 'as patients', because long distances took their toll. In some cases, recipients take transportation, at a cost ranging between KES 50 and 200. Most attributed these problems to the limited number of pay agents. In Marsabit, the research team was told that the pressure of having to serve additional Group 2 recipients, against the background of making lump sum payments to Group 1 beneficiaries, led to agents dropping out of the programme altogether.⁶

Box 2 Distance to paypoints

The evaluation monitors each payment cycle across the four counties via a paypoint survey of beneficiaries and pay agents. Findings so far are that, while there were a few reported recipient complaints about long travel times and long queues, these did not appear to be a pressing issue for most recipients. The majority of those interviewed report walking to the paypoint, with travel times averaging just under two hours (one way). The time waiting in a queue to collect payments averaged 90 minutes. Despite the limited complaints, the queue wait times are quite long and should be monitored over future pay cycles. One reason could be the troubles reported by pay agents with regard to liquidity and intermittent internet connectivity.

Some agents were unable to cope with the additional demands on their cash flows, while others were unable to cope with the additional pressure put on their businesses. Agents must have a float of between KES 300,000 and KES 500,000 to qualify as HSNP pay agents; this is now being lowered to KES 100,000 to encourage the enrolment of more agents. The flipside of the lower float requirement is that paypoint operators are more likely to face liquidity problems.

Once at paypoints, recipients experienced delays. One beneficiary in Elwak noted queuing for nine hours to receive the emergency payments.⁷ Some recipients were known to travel to the paypoint several times within one payment round before accessing their transfers, often incurring the additional costs of an overnight stay.

Another remaining challenge is the lack of pay agents in the more remote areas. On the Mandera–Elwak route (180 km) in early November, OPM staff found only one pay agent active (in Lafey).

While such challenges are also common with routine payments, there are some bottlenecks specifically related to the emergency payment process that exacerbate these. Notably, the lack of adequate communication, as explained in Section 2.2 above, caused a lack of clarity as to who will be receiving emergency transfers. In many cases emergency payments beneficiary lists were not adequately circulated. In some instances, those excluded from routine HSNP payments were promised payments in the near future. In other cases, the ownership of an HSNP card was interpreted as a qualification for receiving payments. Many recipients remain unaware of the issue of account activation. This caused many community members to flock to paypoints to double-check whether payment had been made. Even where payment lists had been circulated, many sought further clarification by travelling to pay agents. This created congestion and delays as agents had to attend to a larger number of people than necessary. In some cases, lack of trust in the information given by pay agents at

⁶ See the evaluation operational monitoring reports for more detail on the payments process (<http://www.hsnp.or.ke/index.php/our-work/measurement-evaluation>).

⁷ See the pilot payments monitoring report (July 2015).

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community level meant recipients travelled to county headquarters for further verification. Some recipients in Wajir were known to have given up and thrown out cards out of frustration and distrust.

In the case of Majengo in Marabit, long delays at the paypoint were attributed to the fact that pay agents were few, even for serving routine (Group 1) recipients. There, six out of eight pay agents were said to have already dropped out. In Wagala in Wajir, the inadequate number of pay agents led to an instance where one agent was paying 200 recipients in one day. A recommendation from several key informants was thus to increase the level of awareness surrounding the payment process as well as increase the number of agents such that they are within reach for most recipients.

The payment process also hampered liquidity constraints faced by pay agents. Many agents already faced inadequate liquidity because of lump sum payments due to routine recipients (for instance, those beneficiaries whose accounts have only recently been activated could potentially claim their entire entitlement extending back to July 2013 in a single payment). The additional recipients of the emergency payment round compounded this problem. In many cases, pay agents had not been given enough advance notice about the emergency payment round and the number of additional recipients. Again, these problems were compounded by the fact that routine payments had only been made less than a month prior.

One pay agent in Didkuro, Mandera, mentioned having a daily limit of KES 200,000 at his bank. With the large number of additional payments, pay agents had to make several trips to larger towns to withdraw money, incurring direct transport costs and suffering losses from having to temporarily close down shops. Such costs and losses were clearly a source of disincentive for pay agents to remain in the programme. One pay agent in Mandera noted:

‘When you do your calculations, you will find that the profits you get from the programme doesn’t even cover for the costs hence you get a loss. That is the first disadvantage of this programme.’

That said, the branch manager at Equity Bank in Turkana was adamant that liquidity is not a problem, claiming that Equity and its agents in Turkana are fully prepared to rise to the occasion when a drought distribution is taking place. While only 5,100 extra households were triggered in Turkana, and a single payment made in May, Equity in Turkana apparently had a plan to deal with 70,000 Group 2 households for several months. This involves distributing cash by security van to the agents, with the costs incurred by Equity Bank.

A further challenge in the payment process was related to the treatment of recipients. Again, although not limited to emergency recipients, the problem became more pronounced with the increased numbers. In some locations, particularly in Marsabit and Mandera, there were some complaints by Group 2 recipients about the way they were treated – often left to stand in the hot sun without shade, with pay agents arriving late and offering a slow service, causing a queue to build up. In Marsabit, one key informant was of the view that treatment of recipients was particularly poor at paypoints managed by Equity Bank itself, with recipients being paid in a small storage room that was often crowded, without seating and with limited ventilation. In some cases recipients themselves complained about the differences in the quality of service between HSNP recipients and Equity Bank commercial customers, with HSNP recipients not allowed in the banking hall. The following quote from a female Group 2 beneficiary in Marsabit is indicative:

‘Payment days are always difficult. You find a security guard or bank workers dealing harshly with people, even grandmothers...and I feel it’s not right.’

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In Hafare, a health worker was of the view that local agents always prioritised their own customers before HSNP recipients, irrespective of how far recipients had travelled or how long they had been waiting in a queue. Another respondent recalled an instance of a beneficiary fainting from standing in the sun for a long period of time.

A final challenge in the emergency payment process related to perceptions of agents' malpractice. Such views were shared at both national and county levels. At the time of the research, there were about 50 to 60 cases of agents' malpractice raised with FSD and under investigation. One pay agent had recently been arrested in Mandera for malpractice.

Malpractice manifested itself in several ways and arose as a result of some of the above named challenges within the payment process: long queues, limited cash flows, and inadequate remuneration or profitability. In one instance in Burabor, a beneficiary noted bank officials soliciting bribes from recipients in order for recipients to be served quickly and efficiently. Another beneficiary in Marsabit noted:

'Personally I got four thousand eight hundred. I paid my child's school fees arrears immediately though it was not enough. It should be four thousand nine hundred but the agents are now deducting one hundred shillings.'

Although such incidents are difficult to verify without in-depth investigations (currently being led by FSD), in some cases it appears that accusations of agent malpractice are cases of a lack of understanding (for example, in relation to the amounts that different recipients are entitled to).

This is not to downplay the fact that weaknesses in the payment process create opportunity for malpractice. In Mandera and Marsabit, where pay agents were limited and banks far away, there were many instances of 'brokers' entering the system. This is a process where community members who know shopkeepers collect money from recipients in order for shopkeepers to serve recipients quicker. In other cases there were instances of community members acting as middlemen, by collecting cash on behalf of recipients and charging recipients a fixed amount of around KES 200. Some pay agents were also accused of similar practices, collecting advance payments from recipients to cover travel expenses to nearest banks. In Dukana and Hurrihin, agent malpractice was also manifested in forced purchases by agents. It was reported that in some cases where agents' cash flow was limited, recipients were forced to take goods on credit.

Such cases of malpractice are supposed to be captured and reported through the monitoring role managed by HAI. In many cases, this was found to be ineffective owing to the limited resources and the lack of clarity about the role of SPRC (see Sections 2.5 and 2.6 below).

To summarise, the quality of the service provided by Equity Bank and its paypoint contractors varied from place to place, resulting in a highly variable customer service experience. It seems the concept of a service charter has not been internalised equally across the four counties. In addition, pay agent contractors have genuine problems maintaining liquidity during scale-up payments outside of county capitals. Advance planning by a bank branch in one county capital to ensure enough cash is available at remote paypoints indicated that it is possible in principle to mitigate some of the challenges with emergency payments, although this does imply expenses for Equity Bank. The various challenges to delivery of emergency (and routine) payments may be encouraging incidents of malpractice in some cases.

2.5 COMPLAINTS AND GRIEVANCES

There does not seem to be a definitive text that explains how the RCs are supposed to operate. A review of HSNP programme documentation indicates that the RCs should operate in the following way:

1. There should be a secretary in each sub-location to whom the right committee members channel their complaints.
2. RCs are responsible for creation of awareness and sensitisation on the rights of recipients and special groups such as women, older persons, children and people with disabilities. RCs undergo trainings on the programme's charter of rights and responsibilities.
3. The RCs' responsibilities are collection, referral, reporting to concerned partners, and resolution of complaints on HSNP-related and wider rights issues from village level.
4. RCs should make complaints on behalf of the beneficiaries and community they represent.
5. RCs make duty bearers accountable for services they offer to the community, such as ID registration, payments, account opening and card distribution, and complaint feedback.
6. In collaboration with other partners, RCs facilitate account opening, ID registration and mass registration. This is done through mobilisation, crowd control, complaint collection and beneficiary vetting.
7. In new case management, RCs are tasked with filing updates and complaint forms for NDMA staff and HAI respectively.
8. RCs advocate for both HSNP and non-HSNP-related rights, especially for vulnerable groups.
9. RCs have a local oversight role on programme performance since they are the basis for feedback on HSNP issues, success, challenges and recommendations.

As a prelude to reporting on the field observations, we note that the RC structure appears to be an effort by the HSNP programme to create an entirely voluntary system that has not been entirely agreed upon at the county or local level. The RCs are staffed by volunteers. Interviews at national level revealed the concern with the RC system that no legal basis exists for the operation of the RCs, and thus it is not clear how they should interact with civil servants, Equity Bank staff, or citizens in general. Also unclear is how they relate to the ombudspersons system or the human rights monitoring bodies established (but only present at county capital level) to have oversight on how citizens' rights are being respected.

The current review made the following observations on how the RCs work in practice.

Although the RC structure is designed to allow communities to collect and manage their own complaints, this structure sometimes does not work as RCs suffer a number of constraints such as low capacity, low morale or inactivity. This issue is looked at in more depth in the September 2015 evaluation thematic operational monitoring report on the functioning of RCs.⁸ The SPRC coordinator for Wajir, Abdi Noor, said:

'The RC model is also a good model but remains difficult to run as the voluntary nature of the programme does not guarantee motivation for work, given that they have no incentive many remain inactive. In Wajir approximately 40 per cent of the RCs are active.'

⁸ For further detail and assessment of the HSNP RCs see *Special Themes Report: Rights Committees*, September 2015, and *Kenya Hunger Safety Net Programme Monitoring and Evaluation Component Consolidated Operational Monitoring Report*, May 2012.

Furthermore, in the emergency review process we found inconsistencies within the RCs. In some sub-locations they were more active than in others. A lot of them asked for allowances for their phones and compensation for the time they spend away from their own work.

The mode of collection of complaints was not followed well in the areas visited. A lot of the chiefs and MCAs were critical of the complaints and grievance processes, as it took too long to resolve them. Another observation made was that some of the RCs did not have the complaints forms to register complaints. The HAI partners selected to reach the RCs in the sub-counties were also not reaching all the areas to give support to the RCs.

In sum, the complaints and grievances process is inhibited due to the fact that the effectiveness of the RCs varies considerably from place to place. The voluntary nature of the work is a source of tension for RCs due to the high demand for the service provided and the lack of support they receive. A stronger consensus on the role of RCs and how they interact with the formal system of oversight on rights issues (the ombudspersons and the human rights commission offices at county level) would clarify how the system should function. Legal clarity on how monitoring of rights violations at the local level is fed into the statutory system is needed in the medium term. A challenge for HSNP is how to improve the current system in the interim while systems are reviewed and a vision for deepening the state system is agreed upon.

2.6 MONITORING

The overall evaluation and monitoring framework exists, consisting of three components:

- internal monitoring;
- independent impact evaluation; and
- monitoring of the NSPS.

A document on internal monitoring exists in draft form, identifying a range of activities, indicators and data sources. It identifies operational processes of the emergency payments that need to be monitored, subject to further elaboration at a later stage.

Our discussions showed monitoring of implementation has so far mainly been based on anecdotal evidence from the field. The preliminary evidence from the April payments were documented and fed into the second round of emergency payments. In the May and April emergency payments rounds, as with routine payments, RCs had the responsibility on payment days to monitor paypoints following a pre-designed checklist. The extent to which these checklists were used across sub-locations is not clear.⁹ Some RCs, where they included literate members, simply made notes of observations during paydays. It thus appears that data collected across different sub-locations are not consistent. It is also unclear if monitoring reports eventually make their way to county level and to what extent they influence future implementation decisions taken at that level.

⁹ See the evaluation's operational monitoring special report issued in September 2015 that focused on this issue (<http://www.hsnp.or.ke/index.php/our-work/measurement-evaluation>).

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Some interviewees at a national level suggested that since HSNP is collating a database of mobile phone numbers for recipients, real-time monitoring could be put in place to receive quick feedback on the most crucial questions of interest to programme management.

POs are similarly given prepopulated checklists to guide monitoring for routine payments, which is compiled by the HSNP PM, though this form was not used to guide monitoring of the emergency payment round. The HSNP PM had no formal obligation to submit monitoring forms to the PILU.

A coherent monitoring framework, or an elaboration of monitoring activities of the emergency payments in the existing monitoring and evaluation framework, is required to routinely capture lessons learnt under the emergency payments system against a consistent set of operational indicators, which are clearly identified against the various sources of data that will populate those indicators. An articulation of how such information will be reported and used to inform future implementation processes is also required.

More routine monitoring of emergency payments will be captured under the operational monitoring being led by the independent evaluator. An assessment of the impact of emergency payments is also being incorporated into the impact evaluation, though this will mainly rely on qualitative data.

In June 2015 there were also discussions on how the emergency payments could be monitored by the PILU. This resulted in an agreement to have the field monitors of the early warning systems add this monitoring to their current duties on a one-off basis. The data collection was finalised in early July and administered retrospectively for the April and May emergency payments, with a report produced in October 2015. What remains is to triangulate the findings from these data sources to agree on how to improve systems in place for monitoring emergency payments.

In sum, a formal strategy for monitoring of emergency drought scale-up payments does not yet exist. Substantive existing infrastructure exists that could potentially be formally adapted to allow for monitoring during drought scale-ups. There is also potential for some real-time monitoring to be put in place via the use of short questionnaires sent directly to recipients' mobile phones.

3 Medium-term suggestions and expectations for future drought scale-up strategy, described by government and development partners

3.1 THE CASH TRANSFERS

Using cash transfers as a means of social welfare support for the poorest households to mitigate the effects of drought is a new business model being tested as a potentially more efficient successor to emergency food distribution. Notwithstanding the operational teething problems that this review highlights, the general view of national officials is that the HSNP emergency drought scale-up strategy (bank accounts for all households, registration of all households, and ranking of households by poverty status, enabling fast targeting decisions and fast scale-up transfers), in the medium term, will be more efficient at channelling social welfare resources to drought-affected households.

County-level officials are not as convinced as national officials; they observe more closely the day-to-day teething problems highlighted in this report. Many of them have been involved in managing the emergency food distribution system and the post-rains assessments for several years in the course of their careers, and are more aware than others of the teething problems of cash transfers versus the relatively well-oiled machine of emergency food aid.

The solutions have already been identified and actions are in place to strengthen understanding around these issues. These actions are:

1. Ensuring the geographic targeting procedure (the combined use of the VCI index and the formula for distribution) is better understood. This involves implementing a more detailed and appropriately targeted series of communications to county-level stakeholders.
2. How targeting is implemented, a key issue hotly debated at local, county and national levels. At the local and county level, support for the PMT system is not robust, and it remains to be seen if the introduction of the extra step of community validation will improve perceptions. There is also debate on the overall costs of fielding a PMT-based system, especially given the marginal difference in poverty levels between those judged to be poor enough to receive transfers versus those beyond the cut-off. It will be key to continue to look at the evidence and to step up the engagement between national and county officials and technical officers on the pros and cons of various targeting alternatives.
3. How cash will be distributed in the future and how HSNP will be able to respond to technical possibilities, which is another key issue. Several respondents noted the need for recipient choice of payment modality. Others suggested that moving to a cashless system may be the future for cash transfers over the longer term, for example using M-Pesa. The key here will be to monitor perceptions, pilot new mechanisms, and ensure a continued dialogue at village, county and national levels.
4. Producing evidence on the market dynamics of switching local economies from reliance during drought on state-delivered food aid to state-delivered cash. WFP and European Commission interviewees noted that research is producing information on the impact of this switch on food price inflation and the ability of the private sector to take on the responsibilities for importing food to the counties. The NDMA monthly monitoring reports also produce data on food prices that could be used to map out inflation in food

commodities, but which, to date, are unexploited. Understanding the dynamics around what extra cash in the local economies means is also anticipated via the impact evaluation survey, whose results will be available in the second half of 2016.

3.2 LINKS TO OTHER ELEMENTS OF RESILIENCE BUILDING

Despite the teething problems with the emergency drought scale-up payments noted above, HSNP is pioneering a ground-breaking way of mitigating the effects of drought on poor households in the four northern counties. This approach is potentially more efficient than the old mainstay, namely, a participatory post-rains assessment followed by the government's purchase, transport and distribution of free food rations, as well as the contracting of civil society organisations to help the health sector deal with the raised level of acute malnutrition in children due to the inevitable delays in the arrival of resources. For now, this new system exists in some of the counties that regularly experience droughts, and the more mature system continues in other arid regions.

There is much to be done to strengthen the links between this *core preventive and protective* social protection intervention aimed at the very poorest, and actions aimed at *promoting* poor households' abilities to maintain existing assets and build new ones. Promoting resilience building includes a range of possible actions, including access to microfinance, insurance, support for business planning, strengthening of formal school education, vocational training, help with job placements (including through migration outside of county lines), and cash or other support through social protection programmes.

Frameworks exist at the national level, and the county development programme management system is strengthening from year to year. Yet the national databases make it plain that resilience building in northern Kenya is characterised by a long list of donor-funded, sometimes county-funded, projects.

It may be the case that a nationally engineered process of consolidation might lead to an efficient strategy for managing the capital available for resilience building, but it will take leadership and persistence to go from today's frameworks to a system (possibly managed at county level) for managing a coherent menu of resilience-building actions available with equal access by all households.

For now there is no systematic way in which households identified for HSNP emergency drought scale-up support can gain access to other efforts to help them build their resilience. The quantitative household survey and qualitative research taking place as part of the independent evaluation of HSNP will provide information on the extent to which HSNP targeted households do or do not benefit from such additional support to help them build their resilience.

There are thus opportunities for coordinating authorities to use the data collected in the HSNP MIS to identify households that could be targeted for various kinds of support, to monitor the extent to which they are targeted, and to measure trends in resilience building.

4. Summary of suggested improvements - drought scale-up

HSNP reviewed these findings together with the findings of the survey of 474 households carried out in 20 of the NDMA drought monitoring sentinel¹⁰, and agreed upon the following potential areas for improvement and action points.

Table 4.1: Summary of suggestions		
	Issues	Follow-up action
GENERAL ISSUES AMPLIFIED DURING SCALE-UP		
1	County level drought response managers need more information on how VCI works.	Ensure all county level stakeholders are consulted on the rationale and operation of the current scalability guidance. This could involve a series of workshops in each HSNP county with stakeholders to explain how the current approach has evolved and agree on further evolution or measures to take to explain the approach more effectively to interested parties.
2	The Equity Bank service charter is not being implemented well across all service points.	Put in place a communication plan in the branches and amongst agents so that the charter is understood and complied with.
3	Rights committees effectiveness varies greatly from place to place.	Ensure HSNP complaints and grievances policy and procedures can address issues arising during scale up. HOW, ACTION??
ISSUES SPECIFIC TO DROUGHT SCALE-UP		
4	The May formula for deciding on geographic range of drought transfers (20% Equal Share (to all sub-counties); 40% Drought Status based on VCI status); 40% Population) proved to be more popular than the April formula for determining distribution; the latter did not recognise the need to balance community cohesion via 'fair' distribution.	See follow-up action 1
5	County level managers express an interest in merging top down VCI-based geographic targeting with post rains assessment methods.	See follow-up action 1
6	Service points are not maintaining liquidity especially in areas remote from county capitals during scale-up months.	Equity Branches to put in place plans to transport cash to remote locations in anticipation of demand generated by scale-ups.

¹⁰ PILU (October 2015); HSNP April and May 2015 Post emergency payment monitoring report.

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7	People are confused over the difference between group 1 and group 2 status based mainly on the local observation that group 2 households are often not better-off than group 1 households.	<p>Implement a stronger communication plan to explain group 1 and 2 to the public in the four counties.</p> <p>Ensure a community validation stage is put in place before lists are finalised.</p> <p>Review the current PMT based household targeting system based on analysis of MIS data and data coming from the OPM evaluation with a view to simplifying the PMT in the short-term.</p>
8	A clear strategy for monitoring of emergency drought scale-up payments does not yet exist.	<p>PILU and donors to lobby NDMA to review of existing data collection systems to ensure they can be used to monitor drought-induced scale-ups.</p> <p>Support piloting the use of cell phone (or other) instant reporting systems. Use of cell phones will be improved by expanding the list recipient cell phone numbers in the MIS. This could also be used to enhance NDMA EW data collection systems.</p>
9	A post payment household survey was undertaken in July and August 2015 following the April and May scale up payments. This provided a snap shot of who received a payment, how much and how it was spent. However the quality of some of the data was poor.	<p>This post payment monitoring needs to be standardized so that a standard monitoring report is provided after each scale up. The speed and quality of data collection requires improvement to provide more robust monitoring, specifically;</p> <ul style="list-style-type: none"> • The survey should take place within one month of the payment date to ensure improved recall with the report provided within 8 weeks of payment. • Enumerators require improved training and supervision in completing questionnaires. • Ensure HH responses to NDMA EW questionnaire can be cross-referenced with responses in the HSNP questionnaire.

In January 2016 these action points were entered into the tracking system for all actions agreed upon by the HSNP management group and reviewed at weekly management meetings. The HSNP steering committee will be appraised of progress when it meets and the weekly management group will bring issues to the attention of the HSNP steering committee if good progress is not being made.

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Annex A: List of interviewees

NAME	ORGANISATION	LOCATION	DESIGNATION
Sunya Orre	NDMA	Nairobi	Director of Technical Services
S Lembara	NDMA	Nairobi	Disaster Risk Manager
Ric Goodman	PILU	Nairobi	Team Leader
Catherine Fitzgibbon	PILU	Nairobi	Consultant
Carrie Ndoka	PILU	Nairobi	Communications Specialist
Liz Drake	DFID	Nairobi	Senior Poverty, Hunger and Vulnerability Adviser
Nicholas Cox	Office of U.S. Foreign Disaster Assistance/ United States Agency for International Development	Nairobi	Regional Adviser, East/Central Regional Office
Boniface Ichwaa	Equity Bank	Nairobi	Project Manager
David Ferrand	FSD	Nairobi	Director
Plounne Oyunge	FSD	Nairobi	Head, Future Systems
George Kamau	HelpAge	Nairobi	Programme Manager
Rebecca Lomalia	HelpAge	Marsabit	Social Protection Rights (SPR) Coordinator-Wajir, Marsabit and Mandera Counties
Job Nyorsok	Equity Bank	Turkana	Branch Manager, Lodwar
Musa Bwino	HelpAge	Turkana	Assistant SPR Coordinator
Tarri Boru	Pastoralist Integrated Support Programme	Marsabit	SPR Coordinator
Benson Kinyua	Equity Bank	Marsabit	Branch Manager, Marsabit
Adan Noor Hussein	HelpAge	Wajir	SPR Coordinator
Wario Sora Galgalo	Equity Bank	Wajir	Branch Manager
Said Hassan Maalim	Equity Bank	Mandera	Branch Manager
Hussein Alio	NDMA	Mandera	CDC
Ahmed Farah	NDMA	Wajir	CDC
Julius Taigong	NDMA	Turkana	CDC
Guyo Golicha	NDMA	Marsabit	CDC

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NAME	ORGANISATION	LOCATION	DESIGNATION
Jonah Samana	NDMA	Marsabit	HSNP Programme County Manager
Evelyne Nadio	NDMA	Turkana	HSNP Programme County Manager
Abdinasir Adan	NDMA	Mandera	HSNP Programme County Manager
Issa Kuresh	NDMA	Wajir	HSNP Programme County Manager
Joanne Bosworth	UNICEF	Nairobi	Senior Social Policy Specialist
Isabelle D'haudt	European Commission Humanitarian Aid and Civil Protection (ECHO)	Nairobi	Expert
Eunice Maina	ECHO	Nairobi	Project Officer
Andrea Ambroso	ECHO	Nairobi	Regional Office sector expert for Food Assistance and Disaster Risk Reduction
Massimo La Rosa	ECHO	Nairobi	
Dominique Davoux	DEVCO	Nairobi	Head of Food Security and Rural Development Sector
Omar Abdi	NDMA	Wajir	County Drought Information Officer
Amina Dahir Isak	RC	Eldas, Wajir	RC Member
Abdi Karim	RC	Griftu, Wajir	RC Member
Yvonne Forsen	WFP	Nairobi	WFP Kenya

Annex B: Key informant question guide

B.1 CDCS, CSG, HSNP POS

1. What is your role in the implementation of emergency payments? What challenges do you face? In what ways could these challenges be overcome?
2. What is your view on the use of the VCI in making payment allocations?
3. What are some of the challenges with using the VCI allocation formula? What challenges were associated with the allocation formula in the first payment round? Did these challenges differ by county?
4. What is your view on the new allocation formula?
5. What if any, were the challenges associated with it?
6. Were there any anomalies following the application of this formula? How did you deal with this? When applied, does the new formula, reflect the drought and vulnerability situation in the context?
7. How were the sub-locations identified and county allocation communicated to you? Were these clear? Did you understand why some decisions were made?
8. Were these initial allocation decisions communicated to the CSG? Was a meeting held? What was discussed? What was the outcome of this meeting?
9. Were allocations modified? Why? What considerations were taken into account?
10. Were there any challenges in issuing the list of emergency payment households' receipts to chiefs and assistant chiefs?
11. Did you undertake community-level sensitisation? How was this carried out? Who was your target group? Do you think these were effective? What were some of the challenges? How can this process be improved in future?
12. What is your view on the way households are targeted for receipt of emergency payments? What are some of the challenges? How could this be improved?
13. What is your view on the payment process? What are some of the challenges? How this could be improved?
14. What is the process?

B.2 DONORS/NGOS

15. How does the current HSNP strategy compare with the approach of making payments based on post-rain assessments?
16. What is your role in the implementation of the emergency payments? What level of engagement have you had with the PILU?
17. Have you had a role in shaping the emergency payments strategy? How?
18. In your view, what are some of the pertinent challenges of the programme? How could they be improved? What is your view on the current allocation formula? How could this be improved?
19. What is your view on the way households are targeted for receipt of emergency payments? What are some of the challenges? How could this be improved?
20. What is your view on the payment process? What are some of the challenges? How this could be improved?

B.3 EQUITY BANK

21. What is your role in the implementation of the emergency payments? What challenges do you face? In what ways could these challenges be overcome?
22. What are the challenges in the activation of bank accounts? How could these be improved?
23. Were there any delays in payment? If yes, what were these? Were there any challenges in collecting the payment and how could these be mitigated?

Annex C: Quality checks of MIS data

C.1 OBJECTIVE

This note lays out the quality controls that were carried on the MIS data. The conclusions of this note will help inform the subsequent redesign of the PMT. The idea is that the next PMT should, to the extent possible, seek to avoid indicators that are deemed unreliable or are otherwise thought to have quality issues.

Due to time and budget constraints, the quality review focused on a limited number of variables that we think are most likely to enter into the next PMT, based on a previous review of the PMT design carried out in 2013. Further checks could be carried out on request to assess the quality of other indicators, if deemed necessary.

C.2 METHODOLOGY

The following tests were carried out on the data:

1. **Missing observations:** the proportion of missing observations for each indicator was checked. The idea is that an indicator that is difficult to collect, or has many missing observations, should be avoided in the PMT.
2. **Outliers:** As part of the basic quality checks, we check for patterns of outlier observations and other unusual patterns in the data that may indicate a problem with the indicator.
3. **Plausibility:** The final check consists of assessing the plausibility of the point estimate of the indicator, when compared to identical indicators available in reliable existing surveys. The problem we faced in this assessment is that no other survey was collected at the same time as the MIS data, which means that the difference between the two datasets could be due to either (a) change in the value of the indicator between the two surveys, or (b) a measurement error in one of the surveys. For this reason, the plausibility check consists of two separate parts:
 - a. Checking if the MIS point estimates lie within the confidence interval of previous survey estimates of the same indicator.
 - b. Checking whether the point estimates lie within the predicted value of the indicator for 2014, based on historical trends. A simple linear trend is estimated.

An indicator will be deemed 'implausible' if it is significantly different from all previous point estimates AND is significantly different from the predicted 2014 value of the indicator based on historical trends.

The following datasets were used for this assessment:

- Kenya Integrated Household Budget Survey (KIHBS) 2005 (only districts covered by the MIS; changes made to district boundaries after 2005 have been taken into account here to ensure comparability);
- Census 2009;
- HSNP 1 data for 2010, 2011 and 2012; and

- MIS data for HSNP 2 (2014).

C.3 RESULTS

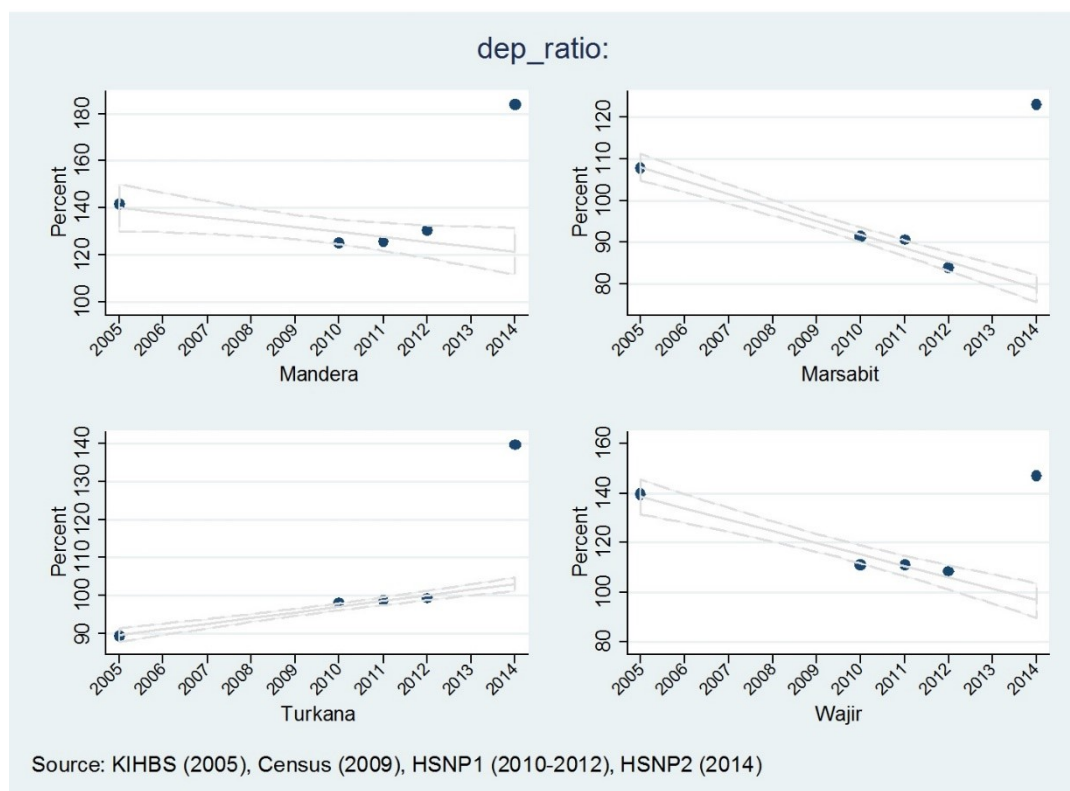
This section presents the key findings of our analysis. The detailed results for each indicator, by district, can be found in the annex.

The following variables were reported to have serious problems:

- Households with children under 14: has implausibly high values in all four counties.
- Households with members aged 15–64: has implausibly low values in three out of four counties.
- Households with member aged 65+: has implausibly low values in three out of four counties.
- Dependency ratio: has implausibly high values in all four counties (see graph below).
- Female-headed household: has implausibly high values in three out of four counties. In Mandera, more than 50% of all households declare that they are headed by a female, whereas the proportion never exceeded 30% in any of the previous surveys.
- Households with orphans: has implausible values in three out of four counties. However, in this case, it is important to note that the values are below the expectation. It is therefore more likely to be a measurement error problem than a deliberate misreporting.
- Number of rooms in main dwelling: has implausible values in all four counties. We should note that 78% of respondents answered that their house had 0 rooms, which suggests that this might be a problem with the coding of the variable, or the question posed.
- Number of wives: has implausibly low values in all four districts. However, it should be noted that over 90% of households reported having no wives, which suggests that this may be a problem with the coding of the variable, rather than a deliberate misreporting.
- Population estimates are significantly below the results of the latest census in Mandera, Turkana and Wajir.

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Figure 1 Comparing MIS point estimates for dependency ratio against other datasets



The following indicators had moderate problems:

- Stone/brick walls: has implausible values in two out of four counties. However, in one case, the result is only significant at 10%.
- Disabled children: has implausibly high values in three out of four counties. However, in one of those cases, the difference is only significant at the 10% level.

C.4 CONCLUSION

There appear to be serious quality issues with some of the indicators in the MIS data. In particular, the above results raise concerns that households may have over-reported the number of children and elderly in the household in order to qualify for the transfer.

Some other variables (walls, floor, motorcycle ownership) exhibited some less severe anomalies that may point to problems in the indicator definition, coding, or data collection.

More worryingly, the aggregated population figures provided by the MIS dataset do not match the estimates from the latest census. Mandera has half the population reported in the census. This points to possible problems in coverage.

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C.5 RESULTS OF DATA QUALITY CHECKS

TABLE 2 MIS QUALITY CHECKS (MARSABIT), BY HOUSEHOLD TYPE

INDICATOR	DESCRIPTION	POINT ESTIMATE		TREND PREDICTION		MISSING OBS. (%)	OUTLI ERS
Walls	Stone/brick	42.25	**	18.39	***	0.278	0
Roof	Corr. iron	24.56		18.08		0.278	0
Floor	Cement	20.74		21.23		0.278	0
Water source	River, lake, etc.	2.59		10.5	**	0.278	0
Light source	Electricity	6.87		9.81		0.278	0
Cooking fuel	Firewood	92.13				0.278	0
Assets	Radio	6.95		-8.58		0	0
	TV	4.54	*	-6.32		0.012	0
	Mobile	26.09		24.38		0	0
	Bicycle	0.91		-4.66	***	0.001	0
	Motorcycle	0.93	***	-3.31	**	0.003	0
Household size		6.2		6.14		0	0
Pop. age	Under 14	51.46	*	42.44	***	0	0
	15–64	44.79	*	51.99	***	0	0
	65+	3.75		5.57		0	0
Gender ratio	Males	51.05		51.53	*	0	0
Dependency ratio	0–13, 65+	123.24	***	78.95	***	0	0
Population		297889		479927.3		0	0
Household head	Female	33.28	*	23.49	**	0	0
Rooms	Number	0.85	***	1.6	***	0.278	0
Wives	Number	0.02	***	1.48	***	0.184	0
Religion				46.58			
	Elderly	28.38		45.58	*	0	0
Children	Orphans	5.46		32.47	***	0	0
	Chronically ill	2.07	*	0.23		0	0

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Disabled	1.94	*	-1.82	***	0	0
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Source: authors' calculations based on KIHBS (2005), Census (2009), HSNP 1 (2009/10/11), HSNP 2 MIS (2014)

Note: statistical significance: *=10%; **=5%; ***=1% (MIS point estimate compared to trend prediction/previous survey point estimates)

TABLE 3 MIS QUALITY CHECKS (WAJIR), BY HOUSEHOLD TYPE

INDICATOR	DESCRIPTION	POINT ESTIMATE		TREND PREDICTION		MISSING OBS. (%)	OUTLIERS
Walls	Stone/brick	7.24		24.35	***	0.158	0
Roof	Corr. iron	3.84	**	10.7		0.158	0
Floor	Cement	4.75		20.96	***	0.158	0
Water source	River, lake, etc.	2		0.14		0.158	0
Light source	Electricity	1.43	**	-16.3		0.158	0
Cooking fuel	Firewood	84.73				0.158	0
Assets	Radio	4.5	***	-12.39		0	0
	TV	0.48		-1.51		0.007	0
	Mobile	18.69		57.76		0	0
	Bicycle	0.23		-0.36	**	0.002	0
	Motorcycle	0.35		-0.33	***	0.006	0
Household size		6.5	*	7.71	***	0	0
Pop. age	Under 14	57.44	*	45.5	***	0	0
	15–64	40.49		49.91	***	0	0
	65+	2.07	***	4.59	***	0	0
Gender ratio	Males	53.78		52.12	***	0	0
Dependency ratio	0–13, 65+	146.99	***	96.63	***	0	0
Population		553534	***	1003314		0	0
Household head	Female	25.1		11.18	**	0	0
Rooms	Number	0.14	***	1.52	***	0.158	0
Wives	Number	0.01	***	1.69	***	0	0

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Religion				-0.02			
	Elderly	19.19		45.99	***	0	0
Children	Orphans	2	***	29.85	***	0	0
	Chronically ill	0.91		1.86		0	0
	Disabled	1.52	***	-4.48	***	0	0

Source: authors' calculations based on KIHBS (2005), Census (2009), HSNP 1 (2009/10/11), HSNP 2 MIS (2014)

Note: statistical significance: *=10%; **=5%; ***=1% (MIS point estimate compared to trend prediction/previous survey point estimates)

TABLE 4 MIS QUALITY CHECKS (TURKANA), BY HOUSEHOLD TYPE

INDICATOR	DESCRIPTION	POINT ESTIMATE		TREND PREDICTION		MISSING OBS. (%)	OUTLIERS
Walls	Stone/brick	24.83	***	0.86	***	0.553	0
Roof	Corr. iron	6.33	*	9.08		0.553	0
Floor	Cement	3.8		2.73		0.553	0
Water source	River, lake, etc.	16.05		1.39	***	0.553	0
Light source	Electricity	0.71		0.48		0.553	0
Cooking fuel	Firewood	93.69				0.553	0
Assets	Radio	4.16		-6.37		0.001	0
	TV	0.96	**	-5.13	**	0.008	0
	Mobile	13.15		3.14		0	0
	Bicycle	1.98		-3.48		0	0
	Motorcycle	0.61		-1.27	**	0	0
Household size		5.48	***	5.26		0	0
Pop. age	Under 14	55.33	***	44.94	***	0	0
	15–64	41.7	***	48.24	***	0	0
	65+	2.97	**	6.82	***	0	0
Gender ratio	Males	48.98		47.4	***	0	0
Dependency ratio	0–13, 65+	139.81	***	103.03	***	0	0
Population		647189	***	1250962		0	0

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Household head	Female	60.51	***	22.2	***	0	0
Rooms	Number	0.35	***	2.69	***	0.553	0
Wives	Number	0.03	***	1.91	***	6.008	0
Religion				47.81			
	Elderly	22.89		54.8	***	0	0
Children	Orphans	9.42	***	38.36	***	0	0
	Chronically ill	1.01		-2.24		0	0
	Disabled	1.89		0.31	***	0	0

Source: authors' calculations based on KIHBS (2005), Census (2009), HSNP 1 (2009/10/11), HSNP 2 MIS (2014)

Note: statistical significance: *=10%; **=5%; ***=1% (MIS point estimate compared to trend prediction/previous survey point estimates)

TABLE 5 MIS QUALITY CHECKS (MANDERA), BY HOUSEHOLD TYPE

INDICATOR	DESCRIPTION	POINT ESTIMATE	TREND PREDICTION		MISSING OBS. (%)	OUTLIERS
Walls	Stone/brick	7.32	15.88	*	0.038	0
Roof	Corr. iron	3.89	18.06		0.038	0
Floor	Cement	4.92	13.39	*	0.038	0
Water source	River, lake, etc.	10.43	9.92		0.038	0
Light source	Electricity	1.29	0.87		0.038	0
Cooking fuel	Firewood	86.44			0.038	0
Assets	Radio	5.55	-21.51		0.001	0
	TV	0.55	-2.23	**	0.005	0
	Mobile	20.7	30.3		0	0
	Bicycle	0.29	-0.56	**	0.005	0
	Motorcycle	0.5	-0.36	*	0.005	0
Household size		6.93	6.77	*	0	0
Pop. age	Under 14	62.76	47.78	***	0	0
	15–64	35.2	45.43	***	0	0
	65+	2.04	6.79	***	0	0

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Gender ratio	Males	52.36		54.36	***	0	0
Dependency ratio	0–13, 65+	184.12	***	121.56	***	0	0
Population		513805	***	1909462		0	0
Household head	Female	51.18	***	17.99	***	0	0
Rooms	Number	0.08	***	1.49	***	0.038	0
Wives	Number	0.02	***	1.51	***	8.49	0
Religion				0.03			
	Elderly	18.53		46.72	***	0	0
Children	Orphans	3.08	***	24.58	***	0	0
	Chronically ill	1.41		-5.37	***	0	0
	Disabled	1.99	*	-2.41	***	0	0

Source: OPM calculations based on KIHBS (2005), Census (2009), HSNP 1 (2009/10/11), HSNP 2 MIS (2014)

Note: statistical significance: *=10%; **=5%; ***=1% (MIS point estimate compared to trend prediction/previous survey point estimates)