



EVALUATION OF THE UGANDA SOCIAL ASSISTANCE GRANTS FOR EMPOWERMENT (SAGE) PROGRAMME

Extract from the Impact Evaluation Baseline Report
August 2013 – Executive Summary

Oxford Policy Management

15 October 2013

Introduction

The Social Assistance Grants for Empowerment (SAGE) pilot social cash transfer scheme is a key element of the Government of Uganda's Expanding Social Protection Programme (ESPP). SAGE aims to help to tackle chronic poverty in Uganda and address the impact of poverty on social cohesion and the ability of chronically poor people to access healthcare, education and other key services.

The SAGE pilot will test a range of implementation modalities for an efficient, cost effective and scalable social transfer, to generate evidence for national policy making, and to provide a reference point to relevant stakeholders about the government's acceptance and commitment to social protection. The pilot is expected to reach around 600,000 people in about 95,000 households over a period of four years (April 2011- Feb 2015), covering approximately 15% of households in 14 targeted districts (see Figure 1 below).

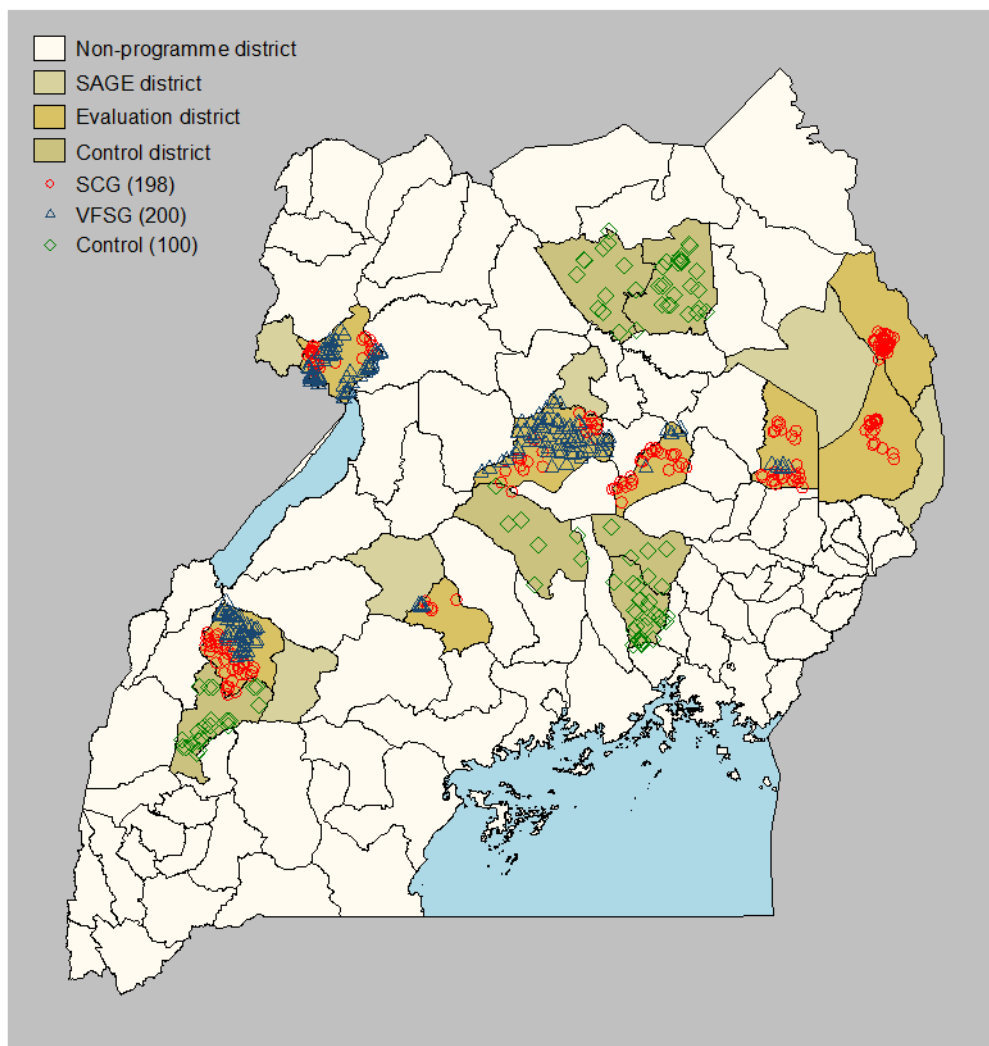
Two targeting methodologies will be implemented in separate sub-counties of all 14 districts:

- **Vulnerable Family Support Grant (VFSG):** this employs a composite index based on demographic indicators of vulnerability such as disability, old or young age, orphanhood and widowhood to determine eligibility. The methodology for VFSG targeting puts the emphasis for selection into the programme on adults with disabilities, the elderly, and orphans. If present in a beneficiary household, adult women will be selected by the programme to be the actual recipient of transfers.
- **Senior Citizens Grant:** People above 65 years of age are registered onto the programme (above 60 years in the Karamoja region). The number of beneficiaries in a specific district and/or community will, therefore, depend on the age profile.

The two targeting methodologies will be evaluated by the ESPP against a range of criteria including (but not limited to): the simplicity and cost-effectiveness of their delivery; their impact on economic growth; the extent to which they create perverse incentives; popularity; and their impact on social cohesion; effectiveness in reaching the poor and people at risk of falling into poverty. All of these factors – and others – could also influence the long-term effectiveness and sustainability of social protection schemes in Uganda.

The purpose of the Evaluation Component is to assess the impact and operational effectiveness of the SAGE pilot programme, compare the relative performance of the two targeting methodologies used by the pilot, and ensure that evaluation findings are disseminated nationally. A robust Impact Evaluation (IE) can contribute to ESPP's learning aims and is a vital tool in ensuring the effectiveness of the programme and in uncovering potential challenges to its implementation and ability to achieve impact.

Figure 1 SAGE programme districts and evaluation communities



Source: SAGE Impact Evaluation Baseline Survey Sep-Oct 2012.

Methodology

The Impact Evaluation will assess SAGE against its main objective of empowering recipient households through:

- Reducing material deprivation
- Increasing economic security
- Reducing social exclusion
- Increasing access to services.

In order to assess impact, the Evaluation will collect information over three years on a range of key indicators and supporting data. The impact analysis will be conducted using a mixed methods approach, combining qualitative research with a quasi-experimental quantitative survey design known as Regression Discontinuity Design (RDD).

The quantitative survey is implemented in 399 clusters across 48 sub-counties in eight programme districts. Qualitative fieldwork has taken place in four districts in the baseline year, selected purposively from within the eight SAGE evaluation districts to give a range of different contexts. The evaluation will include a comparison of the two distinct groups reached under the two targeting methodologies being piloted. Data will supplement nationally representative targeting efficiency data derived from analysis of the Uganda National Household Survey (UNHS) 2009/10 by the programme.

This report presents the results from the baseline impact evaluation survey of the SAGE target population. This is the sub-set of the population sampled, known as the 'study population' and comprising those around the eligibility thresholds for each of the two targeting mechanisms. Section 2 of the main report with its accompanying technical annexure give details of the methodology employed.

Characteristics of households in the programme areas

Demographics

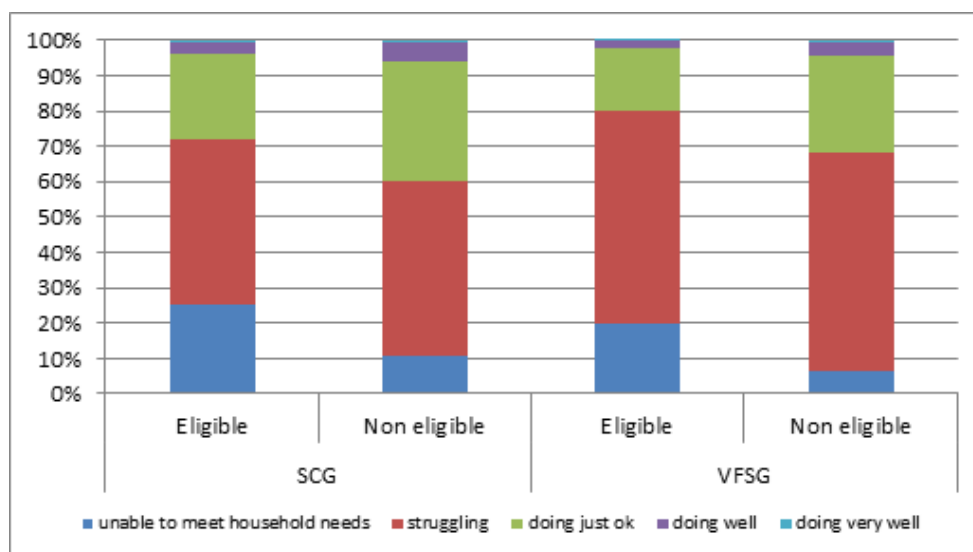
The evaluation compares the study population to the broader population of Uganda in terms of demographic characteristics. It considers information on age and sex, as well as a picture of household composition, including proportions of orphans and disabled people, and characteristics of the household head. It finds that elderly people are over-represented in the study population as compared to nationally. We find fewer children in eligible households compared to the average Ugandan household, especially for SCG households. Women and female heads of household, orphans and disabled people are over-represented in eligible households, which are also characterised by high numbers of dependents and a high proportion of household heads without formal education. Around a third of eligible households contain no able-bodied adult. Overall, these findings testify to the relative vulnerability status of the study population.

Economic and material welfare

The evaluation analyses data across a range of indicators associated with economic and material welfare. These include rates of poverty and consumption expenditure, food security and nutrition, livelihoods, child labour, housing and amenities, and reliance on remittances.

Overall, households in evaluation locations demonstrate higher levels of poverty than the national average as well as greater depth and severity of poverty, and greater inequality amongst poor households, especially amongst SCG households. SCG households also tend to demonstrate lower levels of welfare than VFSG households across a range of indicators, including food security. The survey found that the majority of VFSG eligible households had experienced little or no hunger in the past 30 days, whilst the majority of SCG eligible households had experienced at least moderate hunger over the same period.

Many more households appear to feel that they are living in poverty than would otherwise be suggested by official poverty rates. The qualitative research highlights that this may result from people viewing poverty in multi-dimensional terms, beyond simple monetary poverty, including a lack of voice and a sense of dependence.

Figure 2 Household perceptions of own welfare

Source: SAGE Impact Evaluation Baseline Survey Sep-Oct 2012.

Almost half of the SCG and VFSG households in the sample report having suffered from a shock that they were unable to cope with using their normal resources. The most common shocks experienced by all households in the sample were illness or injury of a household member and loss of productive household member due to death. This is unsurprising, given the advanced age of many household members and that households are overwhelmingly reliant on supply of their own labour to their household farms.

The most common coping strategies deployed to cope with these shocks were help from family and friends, informal borrowing and sale of livestock. Reducing household consumption and children missing or dropping out of school were also evidenced. Some of these coping strategies, such as sale of productive assets or removal of children from school, can have adverse long-term effects.

Livelihoods

The study population is overwhelmingly engaged in agricultural livelihood activities. Crop farming is the main source of livelihood, but is threatened by low prices, poor terms of trade, deterioration of soil quality, and adverse weather conditions. Casual labour is also a common livelihood across all locations. Formal employment is held by very few people.

Around a quarter of the eligible population report having purchased productive assets in the previous 12 months. The figures are higher for the non-eligible population. An index constructed to measure asset accumulation shows that that non-eligible households have a higher score than their eligible counterpart.

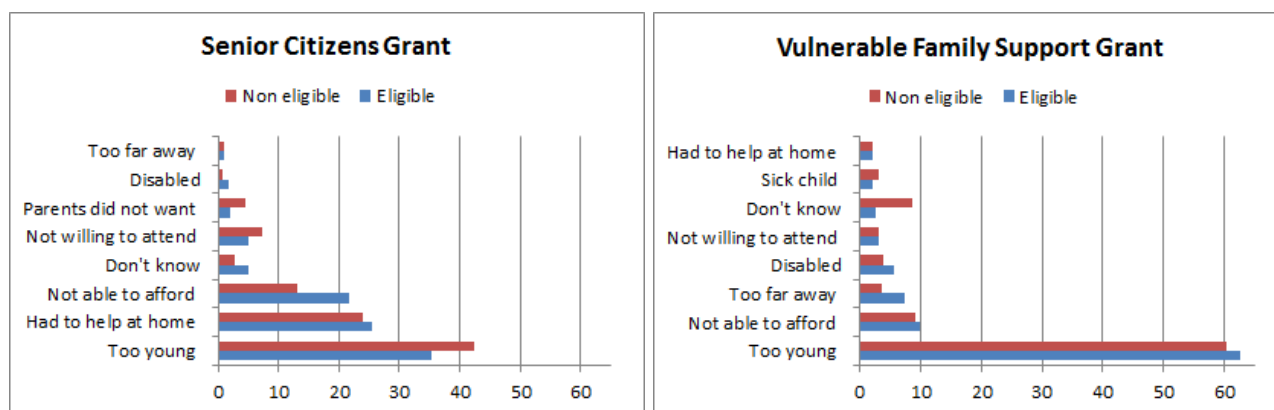
Rates of child labour are similar to the national estimate and the majority of children engaged in child labour are also enrolled in school.

Access to services

The evaluation looks at households' access to education, health and financial services, as well as receipt of formal transfers. It also considers levels of educational attainment and incidence of ill health, with the qualitative research reflecting community members' perceptions of education and health services.

Education: The research found low levels of education access and attainment for the adult population. Only around half of the adult population of our sample have ever attended formal education, with women less likely to have any formal education than men. Age is a big driver of this, as older people are much less likely to have attended school. These patterns are reflected in adult literacy rates. Such characteristics potentially limit earning power. School attendance by children is relatively high, but more so for boys than girls and more so for children in VFSG households than in SCG households. The primary completion rate is low across all households (around one in five).

Figure 3 Reasons for children never attending school



Source: SAGE Impact Evaluation Baseline Survey Sep-Oct 2012.

Healthcare: A high proportion of the population seek healthcare when suffering illness or injury. Understandably, given the proportion of elderly people in the sample, respondents in SCG-eligible households were slightly more likely to report illness or injury than eligible households in VFSG areas. However, eligible households in VFSG areas spend twice as much on healthcare as those in SCG areas. They also spend more than non-eligible households in VFSG areas. The main reasons given for not seeking healthcare when ill or injured were treating the illness at home and cost.

Financial services: The majority of respondents in the sample have no cash savings. Eligible households in VFSG areas are more likely to have cash savings than eligible households in SCG areas. VFSG-eligible households are also much more likely to be saving, borrowing and purchasing goods on credit than their SCG counterparts. Food and basic supplies are the main items purchased on credit. This finding may be partly explained by the increased poverty status of SCG households, who may thus face more barriers to access to financial services. Survey respondents claimed to lack access to formal financial services, and most savings and loans are informal (from family and friends, local traders, and village savings and loans associations). Receipt of formal transfers is low, but much higher for SCG households than for VFSG households.

Local markets and infrastructure

It may be expected that injecting cash into a community via a cash transfer could impact on the local economy of that community, for example by changing the level of local wages and prices for key goods and services. The evaluation analyses the situation in communities at baseline, prior to receipt of any cash transfers, looking at prices of key commodities, economic activities and availability of services.

In terms of wages and prices of key commodities, no substantial variation appears in the data between treatment and control communities, or between SCG and VFSG communities.

As regards infrastructure, the survey found that around a third of all communities have a road that is accessible by vehicle all year round, and almost all communities have mobile network coverage. Very few communities have a bank branch office. The most common mode of transport to reach health and education facilities is walking. Other common modes of transport are bicycle and *boda boda*.

Social relations and cohesion

Cash transfer programmes may both affect and be affected by established social relations and notions of social cohesion. The evaluation thus analyses data collected at both community and household levels before the introduction of SAGE cash transfers in order to provide a baseline picture of existing social relations and sense of social cohesion.

The report examines two types of informal support network, each underpinned by different sets of capacities and entitlements. Family-based networks are most characterised by ties of social obligation and tend to benefit the very poor that belong to them, because assistance is perceived as an obligation. Community-based support networks are more often underpinned by notions of reciprocity, and thus tend to exclude the poor who are unable to reciprocate the benefits they would receive. The survey found that eligible households are less able to borrow in an emergency than other households, and SCG-eligible households are less able to borrow than VFSG-eligible households. Cash transfers may impact these networks by improving communal perceptions of eligible households' credit-worthiness, especially in the case of SCG households. Support from both family and community-based mechanisms are said to be waning as a result of more generalised and widespread poverty within the social networks they draw upon.

The evaluation also examines social relations within the household and finds that social identities, particularly those based on sex and age, have a significant impact on levels of control over resources, asset ownership and participation in decision making processes. Control over, and ownership of, assets and resources within households is dominated by men, and social and cultural gender norms also mean that male-owned 'assets' sometimes also include women and children. Overall, asset ownership levels vary according to the types of asset. In general, the ownership of productive assets rests with men, while women generally own only smaller domestic resources.

Although the study finds that women are nominally almost half as likely as men to be the main person within a household to make decisions on key issues such as children's education, health and investment expenditure, this is largely a reflection of the high proportion of female heads of

household in the study population. In households headed by men, men remain much more likely to be the main decision makers.

The evaluation produced conflicting evidence on the influence and belief in the social contract. Data from the quantitative study suggests that the majority of households feel they could (collectively) influence local elected officials. By contrast, the qualitative research indicates that citizens generally perceive themselves to have very little influence in social decision making and service provision. Despite this, there is a robust notion of the social contract as binding between government and citizens with obligations and entitlements on both sides, but some degree of disaffection regarding its current state.

Conclusions

The evaluation baseline has produced a wealth of data and findings across a broad array of indicators and research areas. The findings from the evaluation baseline study will feed into the ESPP and SAGE programme Learning Framework.

A study methodology has been developed which, as with all such evaluations, has certain limitations. Amongst these is the fact that the study sample is not representative of the entire programme beneficiary population. However, it is representative of the vast majority of the programme beneficiary population and there are no strong reasons to suppose that the small portion of the population that the evaluation data does not represent will respond any differently to receipt of the SAGE cash transfers than the portion that is represented. This means that, despite a small degree of caution being required when interpreting these results, the evaluation will provide a robust measure of programme impact.

The baseline suggests that the SAGE cash transfer may be enough to bring some households in poverty out directly, although it may not be enough to lift households at the very bottom of the income distribution above the poverty line. Since this is a baseline report, no measures of programme impact or operational effectiveness are provided at this stage. The measure of programme impact and the assessment of programme operational effectiveness will be provided by the two follow-up rounds of this evaluation in 2014 and 2015.