Social Grants and Poverty Reduction at the Household Level: Empirical Evidence from Ghana

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ABSTRACT This paper assesses the impact of the Livelihood Empowerment Against Poverty (LEAP) social grant programme in alleviating household poverty in rural Ghana. From a social justice perspective, the study unravels the contribution of the programme in improving the general welfare of beneficiary households in the case study area. Using data from structured household questionnaires, focus group discussions and in-depth interviews, the study establishes that the LEAP social grant has a significant positive impact on food consumption, frequency of utilization of healthcare facilities and the school enrolment rate for children aged 6-13 years in beneficiary households. However, although hypothesised, no significant impact is observed in relation to the incidence of child labour in the household. The study also uncovers that the insufficient nature of the cash transfer, irregular payment periods, lack of access to complimentary services and limited staff capacity pose serious challenges to the programme. It is therefore recommended that government increases the cash amount, pay transfers regularly, link beneficiaries to existing complimentary services in the district, recruit more staff and provide in-service training opportunities for them.

INTRODUCTION

Poverty remains a major challenge confronting most countries in the developing world. Despite decades of global efforts aimed at stemming the tides, the phenomenon continues to persist with deepest manifestations in the lives of low income earners and vulnerable groups in the developing world (Fernald 2013; Garcia and Moore 2012; Malik 2009). Globally, it is estimated that, some 1.4 billion people in the developing world live in extreme poverty by surviving on less than 1.25 US Dollars per day at 2005 purchasing power parity (Kharas 2010). As a giant step towards alleviating the harsh conditions of poverty among its citizenry, some national governments in the developing world have on their own or in collaboration with donors and development partners begun to embrace the idea of providing social protection packages especially in the form of social cash transfers for the extremely poor and vulnerable in society (Cornia 2014; Barrientos 2013; Dinbabo 2011). It is envisaged that through these social cash transfer programmes, the poor will be economically empowered and thus be able to lift themselves out of the malaise of extreme poverty.

Evidently, in line with the above, the government of Ghana has since 2008 implemented the Livelihood Empowerment Against Poverty (LEAP) social grants programme as a key component of its National Social Protection Strategy (NSPS). The programme which is being executed by the Department of Social Welfare is cardinally aimed at “decreasing chronic or shock-induced poverty, addressing social risk and reducing economic vulnerability” amongst the extremely poor in Ghana (Government of Ghana 2013). This paper therefore seeks to assess the impact of the programme in alleviating household poverty in rural Ghana specifically in the Tolon-Kumbungu district of the Northern region. Through the use of mixed methods, the study answers the following research questions; does the LEAP social grant have any impact on the household poverty reduction in rural Ghana? How and in what ways are these impacts observable among beneficiary households in the Tolon-Kumbungu District of Northern Ghana?

In Ghana, day in and day out, a significant number of people continue to battle with issues of poverty, social exclusion and vulnerability. According to the report on the fifth round of the Ghana living Standard Survey (GLSS 5), approximately 18.2% of the Ghanaian population live under extreme poverty, meaning they are unable to cater for their basic human needs such as food, health, education, shelter and clothing,
hence suffer from intergenerational poverty (Ghana Statistical Service 2008).

Evidently, in Ghana, poverty is predominantly a rural phenomenon and highly gendered. A rural phenomenon in the sense, that about 80% of the poor live in rural areas where there is poor access to basic social services, and highly gendered because women largely bear a disproportionate share of the burden of poverty in Ghana (Coudeuel et al. 2006). Boon and Ahenkan (2008) argue that rural poverty in Ghana is more particularly widespread among traditional small scale farmers, many of whom are women and heads of rural households. Typically, these traditional small scale farmers lack access to modern technologies of production and hence continuously depend heavily on traditional and subsistence agriculture. It is estimated that six out of ten small scale farmers experience severe poverty in rural Ghana (IFAD 2010).

Considering the fact that economic growth alone has not resulted in the much needed social change (Baah-Boateng 2004), the government of Ghana has since 2007 developed and implemented the National Social Protection Strategy (NSPS) with the LEAP programme constituting a major component of it. The LEAP programme provides both conditional and unconditional cash transfers to extremely poor households who either have no alternative means of meeting their subsistence needs or have limited productive capacity. Targeted beneficiaries include farmers and fisher folk, the extremely poor aged above 65 years, persons living with disabilities and care givers of orphans and vulnerable children (OVCs) particularly those affected by AIDS (Government of Ghana 2013). At the time of data collection in 2012 the cash transfer amounts ranged from between 8 to 15 Ghana Cedi (GHC) per month depending on the number of eligible beneficiaries in a household. The transfer values were consequently tripled in the last part of 2012. Beneficiaries are expected to comply with a number of conditions which include; to enrol and retail all children of school going age in the household in public basic schools, register all members of the household unto the National Health Insurance Scheme, register all new born babies (0-18 months) with the Births and Death Registry, attend required post natal clinics and complete the expanded programme on immunization and ensure that no child in the household is trafficked or engaged in any activity constituting the worse forms of child labour.

It is imperative to note that since the implementation of the LEAP programme not much has been done to ascertain the extent to which the programme is meeting its intended purposes. Evidently, very little attempts have been made to produce robust evidence of the broad base impact of the programme in reducing poverty and enhancing beneficiary welfare at the household level (Osei 2010). Consequently, there is therefore a huge need for some robust assessment of the programme to help ascertain and produce evidence of its impact on poverty indicators in beneficiary households and communities. This study is therefore a contributory effort aimed at bridging the existing knowledge gap.

The next section of this paper presents a review of literature on the developmental impacts of social cash transfers. Thereafter the methodology employed in the research is espoused. This is then followed by a presentation of the study results and a discussion of findings. Finally, conclusions to the study as well as recommendations are provided.

Literature Review

Over the past decade, social cash transfer programmes have increasingly become widespread in the developing world. Baird et al. (2009) note that this phenomenon is largely as a result of the wide developmental impacts of social cash transfers on the lives of beneficiaries and their communities. Empirical evidence from Latin America, Asia and Africa show that social cash transfers reduce income poverty and inequality, reduce hunger and improve nutrition, stimulate school enrolment, improve access to and use of healthcare facilities, reduce child labour, and promote wider economic growth amongst others. Datt et al. (1997) contend that in Mozambique the GAPVU social cash transfer programme is estimated to have contributed to a reduction in the poverty headcount by 6%, and reductions in the poverty gap and poverty severity by 27% and 44% respectively. In Ecuador and Bolivia, social pension schemes have also reduced the poverty rate of older people by 36% and 44% respectively (Help Age International 2011).

Additionally, Schuering (2008) argues that in Zambia an evaluation of the Kalomo social
cash transfer scheme revealed an increase in satiation levels after meals for beneficiaries with the percentage of households complaining of not being satisfied after each meal decreasing from 56.3% to 34.8%. Furthermore, beneficiary households also recorded a high intake of balanced diets with more households consuming vitamins and proteins such as vegetables, fruits, fish and meat.

Interestingly, evidence from Malawi’s social cash transfer program also showed that administering the transfer to households with children resulted in a 5% increase in school enrolment, whilst targeting households with orphans resulted in a 4.2% increase in school enrolment (Handa and Stewart 2008). For Chaudhury and Parajuli (2008) an evaluation of the Punjab Educational Sector Reform Program in Pakistan by the World Bank in 2008 also revealed that school enrolment rates for girls aged 10-14 years increased by 11 percentage points from the baseline figure of 29%. Likewise, in Namibia, Devereux (2001) discovered that 14 out of 16 grade 12 pupils attended school regularly because their grandparents are in the receipt of social pensions.

Also, a review of specific cash transfer schemes in Brazil, Mexico, Colombia, Nicaragua, Honduras and Malawi revealed that beneficiary households frequently utilize health care services than non-beneficiary households (Pantoja 2008 cited in DFID 2011). Evidence from Mexico indicate that maternal health visits are 18% higher in areas where the Progresa/Oportunidades cash transfer programme is operational in comparison to areas where the programme is non-operational (Barrientos and Scott 2008). In Peru, Jones et al. (2008) contend that, within just a year of the implementation of the Juntos programme, immunizations of children under one year increased by 30% whilst home deliveries reduced by approximately 65%.

Furthermore, Schady and Araujo (2006) argue that the Bono de Desarrollo Humano cash transfer programme in Ecuador reduced the incidence of child labour by 17% in participating households. Similarly, the Programme for the Eradication of Child Labour in Brazil also reduced the probability of children being engaged in adult work by almost 26% in the Bahia region (Rawlings and Rubio 2003). In Cambodia, evidence exists to show that the Cambodia Education Sector Support project by administering cash transfers to pupils in the transition from primary to lower secondary school greatly reduced student participation in paid work by 11% (Filmer and Schady 2009).

More so, a report on the Progresa/Oportunidades cash transfer programme in Mexico indicate that by paying the transfer to women, their status, role and involvement in household decision making, increased remarkably (World Bank 2008). Likewise, Schubert and Huijbreghts (2006) contend that in Malawi paying social cash transfers to women has reduced the probability of young women resorting to negative coping mechanisms such as transitional sex for survival.

Likewise, in Zambia, Samson (2009) discovered that 80% of cash transfers were being spent locally on the purchase of goods and services, thereby stimulating the growth of enterprises in the local economy. Similarly, in Malawi, an econometric analysis of data gathered after the implementation of the Dowa Emergency Cash Transfer in the Dowa district revealed that for every one dollar of transfer a regional multiplier effect of 2.02 to 2.45 was observed in the local economy, meaning that the actual cash transfer had a double impact on the local economy with even non recipients such as traders and suppliers also benefitting indirectly (Davies and Davey 2008).

As evidenced in the preceding discussion, social cash transfers impact on all facets of development. It is therefore not surprising that these programmes have continuously gained global credence and acceptance as a valuable tool for social protection and poverty reduction in many middle and low income countries throughout the world.

**METHODOLOGY**

This study employed a combination of both the quantitative and qualitative methodological approaches to empirical research. Quantitative strategies were used to collect and analyse numerical data whilst qualitative strategies predominantly dealt with non-numeric data. The study predominantly targeted the poorest households (beneficiaries of LEAP and non beneficiaries of LEAP) in the study area. A total of 60 households were contacted (30 beneficiaries of LEAP and 30 non-beneficiaries of LEAP). According to Bryman and Bell (2007: 197) “decisions about
sample size represent a compromise between the constraints of time and cost and the need for precision”. Thus, the choice of the aforementioned sample size was based on the constraints of time as well as the very limited resources available to the researcher for the study.

To derive the desired sample, a multi-stage procedure based on probability sampling was employed. In the first stage, a list of all communities under the LEAP social grant programme was obtained from the Department of Social Welfare in the Tolon-Kumbungu district. Out of a total of 10 communities, a simple random selection of two communities (Dingoni and Worbogu) was made. Considering the limited time frame for the study and more so the fact that only a few communities in the district are under the programme, simple random sampling made it much easier and less sophisticated for the researcher since all the communities were accessible and could easily be located.

In the second stage, having selected the two communities, the researcher then constituted the sample frame by further obtaining from the District Department of Social Welfare, the list of all poor households who upon passing the required means test have been considered as eligible for the LEAP social grant in each community. The population of eligible poor households in each community was then categorised into groups or strata of LEAP beneficiaries and non beneficiaries. Since the 2 communities were homogenous (share the same poverty profile and characteristics), respective samples of 15 households were drawn randomly (from each strata) in each of the 2 selected communities (altogether 60 households, 30 beneficiary and 30 non beneficiary households) to constitute the study sample. By employing stratified random sampling the researcher provided both the beneficiary households and non beneficiary household equal chances of being adequately represented in the sample.

Data collected through the questionnaire was coded and entered into Windows, SPSS 17.0 for both descriptive and inferential analysis. The main method of analysis employed was statistical hypothesis testing. Specifically the following statistical tools were utilized; the independent samples t-test, Pearson’s Chi-square test and the Mann-Whitney/Wilcoxon rank sum test.

The independent samples t-test is generally used to compare the means of two independent groups. In this study, it is used to compare the mean values for school enrolment rate and frequency of healthcare utilization for both the beneficiary and non-beneficiary groups. Additionally, Pearson’s chi- square test examines if there is an association between two categorical variables. In this case, it is used to examine whether there is any association between food consumption (satisfaction after meals) and LEAP beneficiary status. Pearson’s chi square test is the appropriate statistical tool for testing the hypothesis because both the group variable (beneficiary status) and the test variable (satisfaction after meals) are nominally scaled with the samples being randomly derived. Additionally, the Mann-Whitney U-test is a non-parametric test that is used to compare two conditions with different participants being used in each condition and the resulting data being ranked. In this study, it is used to compare whether any differences exist between beneficiary households and non-beneficiary households of the LEAP programme with regards to the rate of recurrence of child labour in the household. The Mann-Whitney U-test is the appropriate test because the two samples are independently derived, with the group variable (beneficiary status) being nominal and the test variable (recurrence rate of Child labour in the household) being ordinal or ranked.

Furthermore, the quantitative analysis was complemented by responses from personal interviews and focus group discussions. The information from these sessions were recorded, transcribed and categorised in order to draw out common themes and essential patterns. These were then presented in the form of text and narratives based on empirical evidence.

RESULTS AND DISCUSSION

Impact of LEAP Grant on Household Poverty

Health (Frequency of Utilization of Healthcare Facilities)

The impact of the LEAP grant on health in the household was measured via the frequency of utilization of health care facilities by household members in the last one year (April 2011 to March 2012). Generally, by virtue of receiving a monthly cash transfer, LEAP beneficiaries are supposed to be better placed in affording the minimum cost of registering under the NHIS or
even in worse situations, pay out of pocket at the point of demanding healthcare services. They are therefore expected to use healthcare facilities more regularly than non-beneficiaries who do not receive any cash transfers. The results of the survey are shown in Table 1.

Table 1: Summary of group statistics for frequency of utilization of healthcare facilities

<table>
<thead>
<tr>
<th>LEAP status</th>
<th>N</th>
<th>Mean</th>
<th>Standard deviation</th>
<th>Standard error of mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficiaries</td>
<td>30</td>
<td>6.50</td>
<td>2.460</td>
<td>.449</td>
</tr>
<tr>
<td>Non-beneficiaries</td>
<td>30</td>
<td>2.80</td>
<td>1.627</td>
<td>.297</td>
</tr>
</tbody>
</table>

From the statistics depicted in the Table 1, it can be clearly observed that beneficiaries of the LEAP programme use healthcare facilities more regularly (more than twice) than non-beneficiaries. However, to be able to conclude as to whether the observed difference between these two groups (means) is statistically significant, the study employs a hypothesis testing using the independent sample t-test. The independent samples t-test is the appropriate statistical tool for the hypothesis testing because the two samples were independently and randomly derived from populations assumed to be normally distributed. Furthermore, the group variable is nominal with the test variables being metric.

The results of the t-test show a computed t-value of (6.871) at 58 degrees of freedom and a significance value of (.000). In line with the decision rule, since the significance value is lower than the given level of significance (0.05) the null hypothesis that there is no difference in the means of the two groups is rejected in favour of the alternative hypothesis. This implies that, a statistically significant difference exists between the two group means. Since it is statistically confirmed that the beneficiary group has a higher mean frequency of healthcare facility use than the non-beneficiary group, the main assumption that the LEAP beneficiaries use healthcare facilities more regularly than non-beneficiaries is, therefore, accepted. Hence the LEAP grant has an impact on the frequency of utilization of healthcare facilities.

Interestingly, the results above were confirmed by the findings of the FGDs organised in both communities. During one of the FGD sessions, a participant had this much to say:

“The LEAP grant has helped my household a lot. Before we started receiving the grant, none of us was registered under the National Health Insurance Scheme because my husband was unable to afford the cost of registration fees. However, through the LEAP grant, we have now been able to secure a health cover for all our children and thus go to the health centre anytime any of them is sick” (FDG Participant Woribogu)

Another FDG participant also opined that:

“Before my household started receiving the LEAP grant, we hardly went to the clinic because we were unable to afford the cost involved in seeking formal healthcare. But now, at least I am able to visit the clinic much regularly and also able to pay for injections and paracetamol” (FGD Participant Dingoni)

Evidently both the household survey and the FGDs are consistent in highlighting the fact that the LEAP grant enables access to and use of healthcare services for the poor and can therefore be considered as a major relieve especially in times of sickness. The fact that beneficiaries spend part of the grant in registering for health insurance or paying for healthcare related expenditures shows that the poor themselves appreciate the essence of the grant and thus invest it into safeguarding or minimising the financial barriers associated with the risk of ill health.

**Education (School Enrolment Rate)**

The impact of the LEAP grant on education was measured using the school enrolment rate of children in the household. The school enrolment rate of children in the household is expressed as the proportion of children of school going age (6-13 years) in the household who are currently enrolled in school. The values of the proportion range from 0 to 1. Households with proportion values closer to 1 are deemed to have a relatively high number of children of school going age currently enrolled in school than households with values closer to 0. Generally, it is hypothesised that beneficiary households have higher rates of school enrolment than non-beneficiary households. This is in view of the fact that by receiving monthly cash transfers, such households should be more able to afford petty expenditures associated with school enrolment and retention such as the cost of books,
uniforms and basic stationery than their counterparts in non-beneficiary households. Table 2 presents the results of the study on the school enrolment rate by LEAP status.

From the results in Table 2, it can generally be assumed that on the average beneficiary households have a relatively high number of children of school going age currently enrolled in school than non-beneficiary households. However to be able to ascertain whether the observed differences in school enrolment are statistically significant, the independent sample t-test is again used to test the hypotheses. Justification for the use of the independent sample t-test remains the same as explained in the preceding section.

Table 2: Summary of group statistics on school enrolment rate by LEAP status

<table>
<thead>
<tr>
<th>LEAP status</th>
<th>N</th>
<th>Mean</th>
<th>Standard deviation</th>
<th>Standard error mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficiaries</td>
<td>30</td>
<td>.6687</td>
<td>.23922</td>
<td>.04368</td>
</tr>
<tr>
<td>Non beneficiaries</td>
<td>30</td>
<td>.4423</td>
<td>.22593</td>
<td>.04125</td>
</tr>
</tbody>
</table>

The results of the test show a computed t-value of (3.767) at 58 degrees of freedom and a significance value of (.000). Consequently, since the significance value is lower than the given level of significance (0.05) the null hypothesis that there is no difference in the mean school enrolment rate between the two groups is rejected in favour of the alternative hypothesis. This therefore implies that a statistically significant difference exists between the means of the two groups with the school enrolment rate among the beneficiary group being averagely higher than that of the non-beneficiary group. Based on this result, the general hypothesis that beneficiary households have a higher proportion of children of school going age (6-13 years) who are currently enrolled in school than non-beneficiary households is accepted.

Another participant was also of the view that: “The LEAP grant enables us to be able to afford basic chop money for our children when they are going to school. In the past our children never stayed at school. They always came back home after the first break just to find something to eat and mostly did not go back to school afterwards. However, the situation now is better. Since we are able to give them chop money they stay in school throughout the day and only come home after school is closed” (FGD Participant Woribogu)

The congruity of findings from both the household survey and the FGDs again point to the developmental impacts of social cash transfers. By investing the grant into education related expenses for children in the household beneficiaries are inherently investing efforts towards building human capital, which is a functional prerequisite for breaking the intergenerational transmission of poverty. Interestingly, although the responses from both participants of the FGDs tend to acknowledge the impact of the grant on school enrolment and retention, they highlight the insufficient nature of the grant. Implicitly, more gains can be achieved in relation to education if the grant amount is adjusted upwards.

Food Consumption (Satisfaction after Meals)

The impact of the LEAP grant on food consumption was measured by asking respondents whether or not household members get satisfied or not satisfied after meals. It is generally expected that since beneficiary households receive cash transfers to cushion household expenditure most of such households will have members being satisfied after meals than non-beneficiary households. Table 3 presents the results of the survey on food consumption (satisfaction after meals).

Table 3: Food consumption (satisfaction after meals) by LEAP status

<table>
<thead>
<tr>
<th>LEAP status</th>
<th>Beneficiaries (%)</th>
<th>Non-beneficiaries (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfied</td>
<td>28 (80%)</td>
<td>9 (30%)</td>
</tr>
<tr>
<td>Not satisfied</td>
<td>6 (20%)</td>
<td>12 (70%)</td>
</tr>
<tr>
<td>Total</td>
<td>30 (100%)</td>
<td>30 (100%)</td>
</tr>
</tbody>
</table>
From the Table 3, it can be clearly observed that whilst a majority of those beneficiary households get satisfied after meals, a corresponding majority of non beneficiaries do not get satisfied after meals. However, to be able to conclude that there is any association between satisfaction after meals and LEAP status a statistical test need to be employed, in this case hypothesis testing using Pearson’s chi square test. Pearson’s chi square test is the appropriate statistical tool because both the group variable (LEAP status) and the test variable (satisfaction after meals) are nominally scaled and more so, the independent samples were randomly derived.

First of all, the results indicate that, the chi square test conducted is valid. This is because zero cells have an expected count of less than five. The minimum expected count is 13.5. Furthermore, the result of the test reports a Pearson’s Chi-square value of (15.152a) at 1 degree of freedom and significance value of (.000). In line with the decision rule, since the significance value is less than the level of significance, the null hypothesis is rejected in favour of the alternative hypothesis. This means that there is an association between the analyzed variables or in other words the difference between the two groups is significant. Therefore, in referring back to the results of the survey, it can be concluded that, a higher number of beneficiary households get satisfied after meals in comparison to the non beneficiary households. Thus, the proposition that LEAP grant impacts on food consumption (satisfaction after meals) is therefore accepted.

Evidently, the findings of the survey were corroborated by the responses gathered during the FGDs in both communities. An elderly woman in Woribogu emphasised that:

“The LEAP grant is surely helping mothers like me a lot. In the period before the LEAP, we only drank porridge in the morning with another meal in the evening. Most of the time, my children complained of hunger at lunch and also not getting satisfied after evening meals. But for now, things seem much better. Anytime I receive the LEAP cash transfer, we have at least three main meals and all my children get satisfied. Although the amount is not so much... we try to cope and do much with it” (FDG Participant Woribogu)

Furthermore, another participant emphasised that:

“But for the LEAP grant, I am now able to buy some more ingredients for cooking such as dawadawa, salt, amani, pepper, maggi and occasionally some fish. In the past, I could hardly afford all these ingredients. At least now we enjoy our meals much better than before... thanks to the LEAP cash transfer” (FDG Participant Dingoni)

Undoubtedly, reducing hunger and improving nutrition is one of the strongest and consistent findings regarding the developmental impacts of cash transfers in most low income countries. The findings from this study are generally in line with the preposition that in areas where poverty is generally severe, households receiving a social cash transfer most often than not spend a larger proportion of the cash transfer improving the quantity or quality of food consumed. The results of the survey mainly point to improved food quantities since relatively few beneficiaries reported low satisfaction levels after meals in comparison to non- beneficiaries. Likewise, the responses from the FGDs also highlight the improved meal quality for beneficiary households since women are now able to afford more ingredients for food. By improving the quantity and quality of food consumed, social cash transfers indirectly influences health and education outcomes especially for younger children in the household.

Child Labour

In this study, child labour is measured by how often children (6-13 years) within the household are engaged in commercial, and economic activities which in some ways (socially, mentally, physically and morally) are detrimental to their education. It is hypothesized that by paying cash transfers to beneficiary households, the incidence of child labour will be less frequent in such households as compared to households who do not receive the LEAP cash transfer. Table 4 shows the frequency of child labour by LEAP status.

From the data shown in Table 4, the incidence of child labour in a majority of households in both groups is “often”. However, some slight differences can still be observed in terms of the frequencies in each category. Since the test variable is ordinal and the samples were independently and randomly derived, the Mann-Whitney U-test is used to test the hypotheses
as to whether any statistically significant differences exist between the incidences of child labour in both groups.

Table 4: Frequency of child labour by LEAP status

<table>
<thead>
<tr>
<th>EAP status</th>
<th>Beneficiaries (%)</th>
<th>Non-beneficiaries (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incidence of Child Labor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very often</td>
<td>5 (16.7%)</td>
<td>7 (23.3%)</td>
</tr>
<tr>
<td>Often</td>
<td>18 (60%)</td>
<td>20 (67.7%)</td>
</tr>
<tr>
<td>Less often</td>
<td>7 (23.3%)</td>
<td>3 (10.0%)</td>
</tr>
<tr>
<td>Total</td>
<td>30 (100%)</td>
<td>30 (100%)</td>
</tr>
</tbody>
</table>

The test results report a Mann-Whitney U value of (377.000), a z value of (-1.260) and a significance value of (.208). Consequently, since the significance value exceeds the given level of significance (0.05), the null hypothesis is accepted. This means that, the difference in the incidence of child labour in both groups is statistically not significant. Although the mean rank of the beneficiary group seems higher than that of the non-beneficiary group, there is no statistical basis to confirm that this difference is indeed significant. Thus, the main hypothesis which states that the incidence of child labour is less frequent in beneficiary households as compared to non-beneficiary households cannot therefore be accepted.

Similarly, during the FGDs beneficiaries in both communities’ beneficiaries could not readily confirm the impact of the grant on child labour. Most of the participants admitted that although they received the grant, the incidence of child labour was still recurrent in their households. A participant explained that:

“Although we receive the LEAP cash transfer, the amount is not enough to cater for all our household expenditures. Therefore, we sometimes have to engage our children in some economic ventures so that they too are able to contribute something to the family upkeep” (FGD Participant Woribogu).

Asked if they were aware that it was against the conditions of LEAP to engage children in child labour activities, a participant had this much to say:

“Yes we were told by the district social welfare officer that as a condition for this grant, we are not supposed to do anything to the detriment of children in the household. However, looking at the situation in which we find ourselves, it is most often very difficult to follow these rules. Sometimes the economic activities that our children engage themselves in actually fetch a lot of money for the household. It is an issue of survival and we often cannot do without it” (FGD Participant Dingoni).

Interestingly, the comments above go to reinforce the fact that child labour is a predominant phenomenon in the study area. More so, it also confirms that in Sub-Saharan Africa there is very limited evidence of the positive impact of social grants on child labour especially in the very poorest communities. Hence, there is the need for government and its social development partners to employ a much holistic approach towards reducing the incidence of child labour in the area. Embarking on a massive public sensitization campaign on the negative effects of child labour on the welfare and wellbeing of the child could be a first step measure in this direction.

Challenges Confronting the LEAP Cash Transfer Programme

The findings from the FDGs also revealed that the programme is confronted with a number of key challenges in the district. From the perspective of programme beneficiaries, the monthly cash amount is too low and usually insufficient to enable them meet basic household needs. Besides, payments of cash transfers are non-regular. Although, the Department of Social Welfare (DSW) is required to make payments every two months, this was not always the case. In some instances, it takes more than four to five months before the transfers are paid. Additionally, most beneficiaries also lamented that although they were duly informed that enrolment onto the LEAP programme guaranteed their access to some other social and livelihood support services, they were yet to access any of these services. Some of them even expressed the huge difficulty involved in being registered under the premium exempt category (indigent) under the NHIS.

Similarly from the institutional perspective, officials of the district social welfare department also highlighted limited staff capacity, inadequate logistical support and the lack of incentives as some problems hampering effective implementation of the LEAP programme in the district.
CONCLUSION

The main aim of the project upon which this paper is based was to empirically assess the impact of the LEAP social grant in reducing household poverty among beneficiaries in the Tolon-Kumbungu District of Northern Ghana. Unquestionably, the findings from this study lead to the conclusion that the LEAP cash transfer has a positive impact on key household poverty indicators such as the frequency of utilization of healthcare facilities, school enrolment for children aged 6-13 years and food consumption (satisfaction after meals). However, although hypothesised, the cash transfer does not have any observable impact on the incidence of child labour in beneficiary households. Undeniably, these findings to a large extent cross validate the position that social cash transfers are optimal mechanisms for household poverty reduction. Although the findings of this study confirm the impact of social cash transfers on the aforementioned household poverty indicators, its impact on the final outcomes of such indicators such as improved health and academic performance are less definite and inconclusive. Thus, further research is needed to be able to ascertain if the grant impacts on any such final outcomes.

RECOMMENDATIONS

Based on the findings of the study, a number of policy recommendations have been proposed to help mitigate the challenges faced and enhance the effective implementation of the LEAP programme.

- Increase cash amount, pay transfers regularly and link beneficiaries to other existing complementary services in the district

Since the findings of this study show that the cash amount being paid is not fully sufficient to support beneficiary households in meeting their basic needs, it is recommended that the government reviews the current amount being paid in an upward manner to enable it become more meaningful to beneficiaries. More so, giant steps should be taken to pay these transfers in a much more regular and timely manner since most beneficiaries risk misapplying late and irregular payments. More so, beneficiaries should be linked to other complimentary livelihood services available in the district to enhance their capacities for work and consequently enable them to break out of the cycle of poverty.

- Recruit more staff, provides professional training opportunities and staff incentive packages

As evidenced by the study findings, the programme is being derailed by low staff capacity, lack of training opportunities and no incentives for staff and voluntary structures. Thus, it is recommended that government institute measures aimed at recruiting more qualified staff, support staff professional training in various fields relevant to the operation of the LEAP programme and institute field allowances for programme staff and voluntary structures to serve as an incentive or motivation to deliver better results for the programme.

- Strictly monitor compliance to LEAP conditions

Finally, the researcher recommends that the DLIC should revise their current system of monitoring by adopting a much more strict and rigorous system of monitoring beneficiary compliance to LEAP conditions. With a strengthened monitoring system, LEAP officials will be able to clearly identify non complying beneficiaries and therefore institute punitive measures against them as stipulated in the programme guidelines. This will serve as a deterrent for others and enhance the attainment of the programme goals. Furthermore, to increase compliance with LEAP conditions, programme officials could consider increasing public education and sensitization of beneficiaries on the need to stick closely to the stipulated conditions. A short talk session during payment days could be used to in undertaking this sensitization and public education drive.

REFERENCES


