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Abstract

Purpose: Social safety funds should effectively and efficiently reach needy households, providing a safety net that enhances their welfare and reduces poverty levels in the community. The Kenya National Safety Net Programme (NSNP) is a government social protection programme established in September 2013 as part of the government's initiative to improve and enhance social protection and improve the welfare of the poor household particularly at the grass root. This study therefore aimed at analyzing the impact of devolved social safety funds on household welfare in Kenya.

Methodology: The study employed a non-experimental pooled cross-sectional research design. Cross-sectional data was collected from selected households using a structured questionnaire. The study targeted a population of 1,128,693 households lifted from the Kenya Integrated Household Budget Survey (2015/2016). Fisher's formula was used in sample selection, where a sample of 384 respondents was selected. A multivariate regression model was used to analyze data. Inferential and descriptive statistics were used to analyze the quantitative and qualitative data acquired in the research.

Findings: The findings revealed that devolved Social Safety funds significantly and positively influence household welfare in Kenya. Most beneficiaries under study, particularly the elderly recorded a greater improvement in their welfare.

Unique Contribution to Theory, Practice and Policy: Given the findings, it is recommended that the government of Kenya should increase the flow of these funds to target a larger proportion of the rural households. This will positively change the welfare of most vulnerable households, particularly in the rural areas.

Keywords: *Devolved Funding, Household Welfare, Social Safety, Policies*

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INTRODUCTION

The introduction of devolved funding was expected to influence the economic growth rate and household welfare positively. However, according to the United Nations Report (2015), Kenya has not achieved most of the Millennium Development Goals (MDG). According to the Republic of Kenya (2007), the Gross Economic Growth rate was expected to grow by 10 percent annually. Poverty levels were expected to reduce by more than half. Devolved Funding policies were expected to drive the achievement of these development goals (Simiyu, Mweru & Omete, 2014; Mapesa & Kibua, 2006) and address the growing income inequality.

Despite the significant drop in poverty levels from 46 percent in 2009 to 36.1 percent in 2016 (Republic of Kenya, 2016, Ministry of Devolution and Planning and United Nations Development Programme (UNDP), 2018), there exists a growing multidimensional poverty which has affected lifestyle and the living standard of households. Huge regional inequalities also exist, with the rural areas bearing the brand. County differentials also exist, with Nairobi and Turkana recording a Human Development Index (HDI) of 64.1 and 27.8, respectively. Between 1990 and 2017, Kenya's Human Development Index (HDI) increased from 0.468 to 0.590 representing a percentage increase of 26.1(United Nations Development Programme (UNDP), 2018). Despite the positive changes in poverty levels, welfare indicators such as knowledge attainment and health care have experienced a relatively slow positive change (World Bank report, 2018). Kenya's Gross Domestic Product (GDP Per Capita) grew from USD 361 billion in 1990 to USD 1,711 billion in 2018. The Kenya Human Development Index (HDI) indicators performance is better than most of Sub-Sahara Africa, with a Human Development Index (HDI) indicator of 0.537. Between 1990 and 2017, the progress in each Human Development Index (HDI) indicator was very impressive. For instance, Kenya's life expectancy at birth increased by 9.8 years, expected years of schooling increased by 3.0 years, mean years of schooling increased by 2.8 years and Kenya's Gross National Income (GNI) per capita increased by about 28.9 percent

Poverty reduction and, more significantly, the improvement in household welfare are the main objectives of economic development. To achieve this objective, evaluating the effectiveness of some pro-poor policies such as devolved social safety funding on the household's welfare, is important. The outcome of such a study shall provide policy guidelines and an implementation framework for developing countries (Glewwe, 1991). The introduction of devolved funding was a strategic response to the failure of past economic policies, strategies and programs. It is argued that most of these development programs failed to consider public participation, which was critical to the welfare of people at the grassroots level. Inadequate funding, obsolete technology in production, underdeveloped institutions and lack of political support emerged as the factors that negatively impacted the effectiveness of these policies.

In sub-Saharan, Fiscal decentralization policies are well grounded in the Republic of South Africa, Nigeria and Ethiopia, where budgetary allocation to the devolved units accounts for over half or more of total public expenditures (International Monetary Fund (IMF), 2006; Bartley, Andersson, Jagger & Laerhoven, 2008). However, in countries such as Kenya, Uganda, Tanzania and Rwanda, budgetary allocation to the devolved units represents 15-20 percent of the total government expenditures. Studies have also shown that more countries in Sub-Saharan Africa, including Mali, Zambia, Lesotho, Madagascar and Liberia, are rapidly adopting fiscal decentralization. Budgetary expenditures to the devolved units in these countries have been kept at the same level to the other developing countries but way below the levels found in developed markets such as Organization for Economic Co-operation and Development (OECD) countries.

Devolved social safety funding was introduced in Kenya largely as a response to persistent high poverty levels that affected a majority of the citizen. It resulted from the NARC government's effort to fight and reduce poverty levels and hence improve the living standards of most citizens on the grass root. The proponents of devolved social safety funding argued that its operation would reduce the dominance of the central government in the mobilization and distribution of national resources. Laws enacted allowed the common citizens to participate in decision-making concerning resource allocation. Devolved social safety funding is implemented through direct cash transfers, provision of credit and capitation of projects and programs that directly impact the welfare of the citizens on the grass root (Irungu, Ndirangu & Omiti, 2009; Ikiara, 2009).

It is, therefore, critical to note that stronger devolved social safety funding with good legislation and regulation may enhance the equitable distribution of national resources and provide citizens of Kenya with an opportunity to participate in decision-making, particularly regarding resource mobilization and allocation. The involvement of the public in decision-making is an impetus to increase transparency and accountability and effectively influence resource allocation. This will increase equity and access to key opportunities (such as quality education, energy, water and sanitation) in Kenyan society (World Bank Report, 2018). The degree to which sub-central governments have genuine choice capacity to decide the distribution of their use or raise their own income seems to matter (Kinuthia & Lakin, 2016). Therefore, based on the above backdrops, the current study sought to investigate the role of devolved social safety funding in improving Kenya's household welfare.

Statement of the Problem

Social safety funds should effectively and efficiently reach needy households, providing a safety net that enhances their welfare and reduces poverty levels in the community. However, in Kenya, the implementation of social safety programs has been devolved to the county governments, resulting in disparities in the distribution and utilization of funds. Evidence shows that some households have not received the benefits of social safety programs. In contrast, others receive disproportionate amounts, leading to unequal resource distribution and worsening poverty levels. Several studies (Akai & Sakata, 2005; Tselios, Rodríguez-Pose, Pike, Tomaney & Torrisi, 2011) have documented the challenges facing implementing social safety programs in Kenya, including corruption, lack of transparency, inadequate targeting of vulnerable households, and inadequate monitoring and evaluation systems. As a result, many households continue to struggle with poverty, limited access to basic needs, and social exclusion. This affects households in Kenya, particularly the vulnerable and marginalized groups, including women, children, the elderly, and persons with disabilities. The devolution of social safety programs has not effectively addressed the needs of these groups, leading to a widening gap in social welfare and poverty levels. There is a gap in research on the effectiveness of devolved social safety programs in Kenya, particularly in assessing the impact of these programs on household welfare. This study seeks to fill this gap by investigating the effects of devolved social safety funds on household welfare in Kenya and identifying the challenges and opportunities for enhancing the effectiveness of these programs.

LITERATURE REVIEW

The study adopted the Keynesian Economics Theory which emphasizes on aggregate demand in the economy and its impact on production, employment and changes in general prices. According to Beegle, Honorati and Monsalve (2018), in order to fully realize the potential of social safety nets for addressing issues of equality, resilience, and opportunity for Africa's poor and vulnerable people, programs must be brought to scale and maintained at scale. Peterman, Neijhoft, Cook & Palermo (2017) examine the relationship between social safety nets and childhood violence in low- and middle-income countries. Song and Imai (2019) investigated the impact of a hunger safety net program on multidimensional poverty reduction in Kenya. More broadly, social safety net initiatives have been found to increase consumption while also increasing the frequency and variety of spending patterns (Davis, Gephart, Emery, Leach, Galloway & D'Odorico, 2016; Bastagli, Hagen-Zanker, Harman, Barca, Sturge, Schmidt & Pellerano, 2016).

Song and Imai (2019) investigated the impact of a hunger safety net program on multidimensional poverty reduction in Kenya. The research found that ultra-poor families profited much more from program participation than poor and non-poor households, indicating that the HSNP is effective at reducing poverty, however it might be fine-tuned to concentrate limited development resources on the ultra-poor sector. However, due to insufficient institutionalization of social safety; in program execution and finance, there was a negative and statistically significant link between program participation and multidimensional poverty reduction.

Household consumption has been identified as one of the important pathways of an intervention's effect since impoverished households are expected to utilize the social safety net to meet fundamental household requirements, including food and nonfood staple commodities (Andrews, Hsiao & Ralston, 2018). Evidence gives useful information on the effects of various initiatives on equity. Of the 35 cash transfer studies analyzed, 25 (9 in Africa) were shown to substantially influence increasing household spending (Bastagli, Hagen-Zanker, Harman, Barca, Sturge, Schmidt & Pellerano, 2016). More broadly, social safety net initiatives have been found to increase consumption while also increasing the frequency and variety of spending patterns (Davis, Gephart, Emery, Leach, Galloway & D'Odorico, 2016).

Cash transfer beneficiaries in Niger saw long-term growth in livestock assets (Stoeffler, Mills, & Premand 2016). There is further evidence of social safety nets increasing spending on house modifications, such as metal or plastic sheeting for roofs and walls, in the Give Directly program in Kenya, the Lesotho Child Grants Program, and the CfW in Sierra Leone (Haushofer & Shapiro, 2016; Rosas & Sabarwal, 2016).

The review of the studies above confirms that social safety net funds are an integral part of household welfare. It is thus, based on the above previous evidence provided that the current study seeks to explore the influence of the social safety net funds as a government devolved funding on the welfare in Kenya.

Conceptual Framework

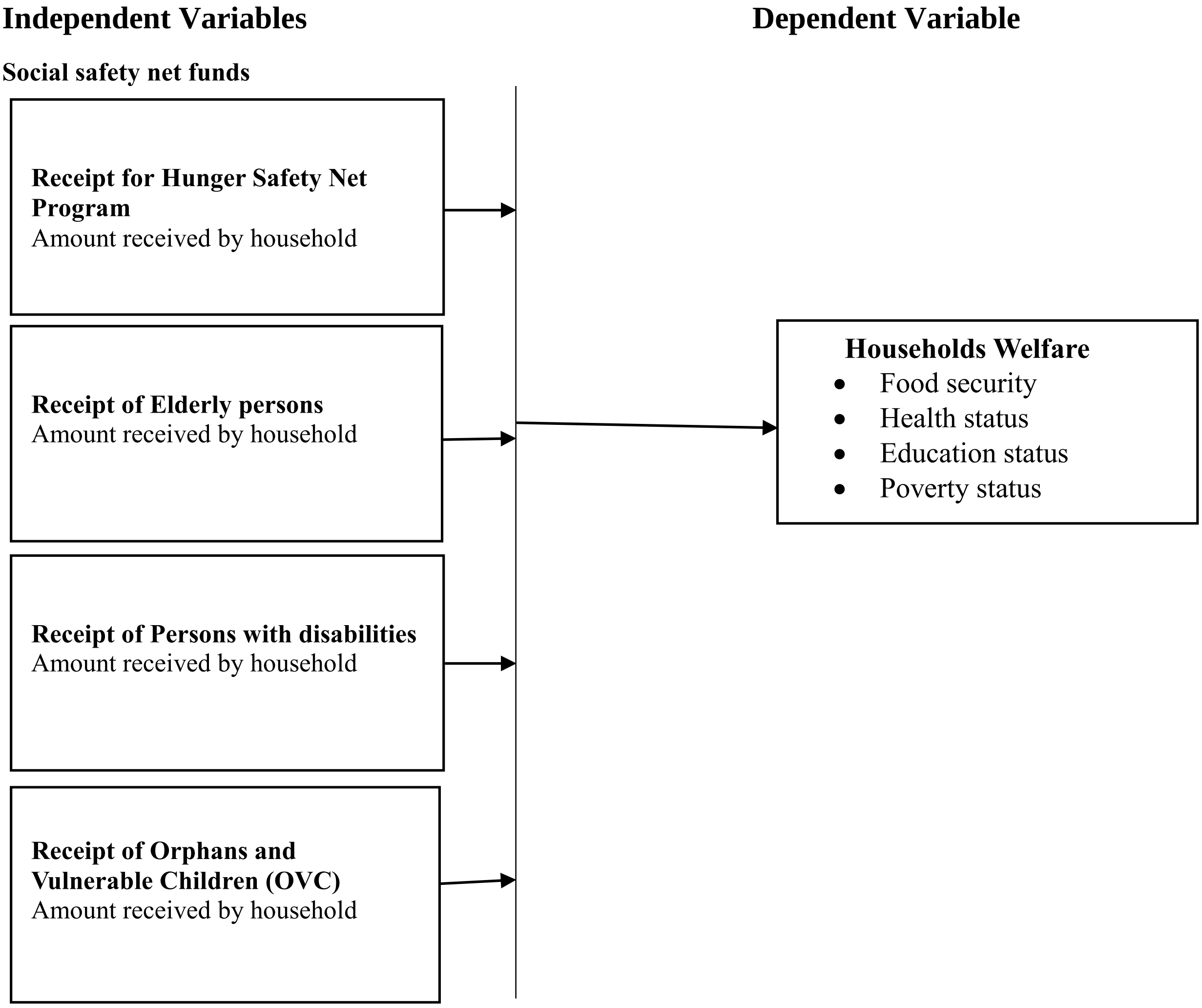
Independent Variables
Dependent Variable
Social safety net funds
Receipt for Hunger Safety Net Program
Amount received by household
Receipt of Elderly persons
Amount received by household
Receipt of Persons with disabilities
Amount received by household
Receipt of Orphans and Vulnerable Children (OVC)
Amount received by household
Households Welfare
Food security
Health status
Education status
Poverty status

Figure 1: Conceptual Framework

Access to social safety funds is expected to increase the level of household welfare through the reduction of poverty, specifically through increased access of fund to Elderly persons, Persons with disabilities, Orphans and Vulnerable Children which in turn increase the household expenditure. Cash transfers promote household welfare and food security. Importantly, the majority of them are from families impacted by shocks, for whom welfare consequences outweigh transfer amounts. While droughts cause significant welfare losses, cash transfer recipients are able to completely buffer these costs and maintain consumption levels. Several mechanisms work together to improve resilience. Cash transfer recipients are more likely to join saving organizations and save more money. Beneficiary families are also more likely to be able to smooth revenue from agricultural and non-agricultural home businesses when shocks occur. With minor inequalities in home durables or livestock, the saving culture is more likely to boost asset accumulation. Overall, cash transfers increase people' ability to safeguard their income from shocks, which explains the extent of the welfare effects of cash transfers among drought-affected households.

METHODOLOGY

This study adopted a positivist research philosophy. The study employed a non-experimental pooled cross-sectional research design in the analysis of the objectives.

Theoretical Model Formulation

Economic theories and empirical studies have established a correlation between cash transfer policies with household consumption behaviour. Therefore, the analysis of cash transfer funds and its impact on household welfare in the context of the Keynesian theory of consumption views cash transfer as part of assets available to Households as a source of income that can influence consumer behaviour. This theoretical framework provides that households own a set of assets such as physical, human capital, and household income among others. The household distributes these assets amongst its various needs with the objective of maximizing their utility. Some of these resources can be deployed in production while others like income will be used to change consumer behaviour. This model can be represented in a set of structural equations depicting household economic behaviour under constrained utility maximization and asset endowment. Therefore to model this economic concept, household welfare proxied through poverty will be treated as a function of per capita expenditure (disposable income), asset endowment and exogenous characteristics of the household can be represented in the following set of structural equations.

$Y = f\,(CT, Z)$ ……………………………………………………………………. (1)

Where Y represents total house income, CT represents the total cash transfer received by the household, and Z is a set of predictor variables, including moderating factors such as education levels, age and sex of the household head and the household asset endowment such as livestock ownership, labour, land capital. The above concept was used to develop a model based on the Keynesian theory of consumption (Keyne, 1936) model.

Model Specification and Hypothesis Testing

A simple regression model was used to evaluate the effects of receipt for hunger safety net program, receipt of elderly persons, receipt of persons with disabilities and receipt of Orphans and Vulnerable Children (OVC) on household welfare in Kenya. This model is the appropriate statistical approach to the analysis of data from multiple variables. The model is also useful in examining the degree of correlation among all variables (dependent and independent). The correlations could be linear or non-linear (Foss & Saebi, 2017). The regression model was as follows:

$Y_1 = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_3X_4 + \varepsilon$ ……………………………………………… (2)

$Y_2 = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_3X_4 + \varepsilon$ ……………………………………………. (3)

$Y_3 = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_3X_4 + \varepsilon$ ……………………………………………. (4)

$Y_4 = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_3X_4 + \varepsilon$ ……………………………………………. (5)

$Y_{HW} = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_3X_4 + \varepsilon$ ……………………………………………(6)

Where:

Y_{HW} = Household Welfare

Y_4 (FS) = Food Security

Y_3 (HS) = Health Status

Y_2 (ES) = Education Status

Y_1 (PS) = Poverty Status

β_0 = Constant Term

$\beta_1, \beta_2, \beta_3$ = Beta coefficients

X_1 (HSNP) = receipt for Hunger Safety Net Program

X_2 (EP) = receipt of Elderly persons

X_3 (PWD) = receipt of Persons with disabilities

X_4 (OVC) = receipt of Orphans and Vulnerable Children (OVC)

ε = Error term

The study targeted the households listed by the Kenya Integrated Household Budget (KIHBS) which indicated the residence of households' owners. It was more convenient and practical to follow up with those in Nairobi County as opposed to those outside Nairobi County. The total population in Nairobi County is 1,128,693 households (Kenya National Bureau of Statistics (KNBS), 2020). The KIHBS 2015 /2016 was the baseline of the sampling frame with 1,128,693 households being targeted. The study thus used the Fishers formula to select a sample of 384 respondents (Sanson-Fisher et.al, 2007).

The main type of data was the primary data (cross-sectional pooled data) which the researcher collected through a well-structured data collection guide (questionnaire survey). The collected data was entered in the data sheet where cleaning was carried out appropriately to ensure consistency. Descriptive statistics were applied using Statistical Package for Social Science to analyze quantitative data. Descriptive statistics captured included mean, frequency, standard deviation and percentages to profile sample characteristics and major patterns emerging from the data. In addition to measures of central tendencies, measures of dispersion and graphical representations were used to tabulate the information. Data was presented in tables, charts and graphs. Simple linear regression model regression was used to analyze the relationship between variables.

FINDINGS AND DISCUSSIONS

A total of 384 respondents were administered with the questionnaire which was equivalent to the sample size of the study. 305 (79.4 percent) respondents filled the questionnaires properly and returned them. The study aimed at finding out the resultant impact of devolved social safety funds on household welfare. The elements addressed in the study were; money from Hunger Safety Net Program (HSNP), money from Elderly Person cash transfer program, money from person with Disabilities cash transfer program, money from Orphans and Vulnerable Children (OVC) cash transfer program, money from social safety cash transfer programs and social safety cash transfers. The rates of the measures were assessed on the practice of the measures.

Table 1: Descriptive Result for Devolved Social Safety Funds

	Percentage Distribution							
	Strongly Disagree	Disagree	Moderately Agree	Agree	Strongly Agree	Total Score	Mean	Standard Deviation
This household is a beneficiary of money from Hunger Safety Net Program (HSNP) in the past	26.2	27.5	5.7	21.3	17.0	852	2.773	1.50
This household is a beneficiary of money from Elderly Person cash transfer program	27.7	25.7	7.7	17.7	20.7	846	2.774	1.53
This household is a beneficiary of money from person with Disabilities cash transfer program	23.7	27.7	6.7	23.3	16.1	853	2.777	1.44
This household is a beneficiary of money from Orphans and Vulnerable Children (OVC) cash transfer program	26.7	26.7	4.7	16.7	20.7	840	2.754	1.54
This household receives money from social safety cash transfer programs regularly	26.2	26.6	4.7%	20.3	20.0	846	2.774	1.53
The social safety cash transfers meet the needs of this household	26.6	25.6	6.2	20.0	17.7	856	2.607	1.51

Table 1 it was revealed that 40.3 percent of the respondents strongly agreed that their household was a beneficiary of money from Hunger Safety Net Program. Over five (5.7) percent of the moderately agreed that their household was a beneficiary of money from Hunger Safety Net Program while majority of the respondents at 53.7 percent of the respondents did not agree that their household was a beneficiary of money from Hunger Safety Net Program. The value of mean of the participants whose household were beneficiary of money from Hunger Safety Net Program was 2.773 and the standard deviation was 1.50 indicating that the data collected was accurate and stable with low level variability of data. These results correspond correctly with the outcome of the study done by Song and Imai (2017). In their analysis, they observed impact heterogeneity in sample data. This implied that the ultra-poor households who participated in the study benefited greatly from the program than those poor who did not. This confirms that HSNP program can significantly reduce poverty and vulnerability.

Over thirty six (36.4) percent of those interviewed strongly agreed that their household was a beneficiary of money from Elderly Person cash transfer program. Over seven (7.7) percent of the moderately agreed that their household was a beneficiary of money from Elderly Person cash transfer program while majority of the respondents at 53.6 percent of the respondents did not agree that their household was a beneficiary of money from Elderly Person cash transfer program. The value of mean of the participants whose household were beneficiary of money from Elderly Person Cash Transfer Program was 2.774 and the standard deviation was 1.53 indicating that the data collected was accurate and stable with low level variability of data.

Over thirty seven (37.4) percent of the respondents strongly agreed that their household was a beneficiary of money from person with Disabilities cash transfer program. Over six (6.7) percent of the moderately agreed that their household was a beneficiary of money from person with Disabilities cash transfer program while majority of the respondents at 51.6 percent of the respondents did not agree that their household was a beneficiary of money person with Disabilities cash transfer program. The value of mean of the participants whose household were beneficiary of money from Person with Disabilities Cash Transfer Program was 2.777 and the standard deviation was 1.44 indicating that the data collected was accurate and stable with low level variability of data.

Over thirty seven 37.4) percent of the respondents strongly agreed that their household was a beneficiary of money from Orphans and Vulnerable Children (OVC) cash transfer program. Over four (4.7) percent of the moderately agreed that their household was a beneficiary of money from Orphans and Vulnerable Children (OVC) cash transfer program while majority of the respondents at 55.6 percent of the respondents did not agree that their household was a beneficiary of money from Orphans and Vulnerable Children (OVC) cash transfer program. The value of mean of the participants whose household were beneficiary of money from Orphan and Vulnerable Children (OVC) Cash Transfer Program was 2.754 and the standard deviation was 1.54 indicating that the data collected was accurate and stable with low level variability of data. This analysis correspond exactly with the study done by, Andrews, Hsiao & Ralston (2018) reported that household consumption rose by 60 percentage of the value of the transfer on Kenya's Orphans and Vulnerable Children (OVC) program regarding the impacts of total consumption.

Over forty (40.3) percent of the respondents strongly agreed that their household was a beneficiary of money from social safety cash transfer programs. Over four (4.7) percent of the moderately agreed that their household was a beneficiary of money from social safety cash transfer programs while majority of the respondents at 54.6 percent of the respondents did not agree that their household was a beneficiary of money from social safety cash transfer programs. The value of mean of the participants whose household were beneficiary of money from Social Safety Cash Transfer Program was 2.774 and the standard deviation was 1.53 indicating that the data collected was accurate and stable with low level variability of data. This analysis corresponds well with the study done by Haushofer & Shapiro, 2016; Pellerano et al., 2014; Rosas & Sabarwal, 2016. Their findings revealed that Kenyans households who benefited from Give Directly Programme had diverted their extra income into purchase of durable product such plastic sheeting for roofs and walls or metals hence improving their homes. Similar observation was made in Sierra Leone's CfW Programme and the Lesotho Child Grants Program.

Over thirty seven (37.7) percent of the respondents strongly agreed that social safety cash transfers met the needs of their households. Over six (6.2) percent of the moderately agreed that social safety cash transfers met the needs of their households while majority of the respondents at 52.2 percent of the respondents did not agree that social safety cash transfers met the needs of their households. The value of mean of the participants who agree that social safety funds met the need of their household was 2.607 and the standard deviation was 1.51 indicating that the data collected was accurate and stable with low level variability of data. The results is similar to the findings by Haushofer & Shapiro, 2016; Rosas & Sabarwal, 2016 Their findings revealed that Kenyans households who benefited from Give Directly Programme had diverted their extra income into purchase of durable product such plastic sheeting for roofs and walls or metals hence improving their homes. Table 2 shows the correlation results that portray the association between devolved safety funds and household welfare.

Table 2: Correlation Test of Devolved Safety Funds

	Food Security	**Health Status**	**Education Status**	**Poverty Status**	**Welfare**	**Social Safety Net Funds**
Food Security	1					0.890*** **(0.000)**
Health Status	0.984*** **(0.000)**	1				0.890*** **(0.000)**
Education Status	0.985*** **(0.000)**	0.983*** **(0.000)**	1			0.894** **(0.000)**
Poverty Status	0.984*** **(0.000)**	0.983*** **(0.000)**	0.985*** **(0.000)**	1		0.890*** **(0.000)**
Welfare	0.994*** **(0.000)**	0.993*** **(0.000)**	0.985*** **(0.000)**	0.994*** **(0.000)**	1	0.900*** **(0.000)**
Social Safety Net Funds	0.902*** **(0.000)**	0.890*** **(0.000)**	0.894*** **(0.000)**	0.890*** **(0.000)**	0.900*** **(0.000)**	1

The asterisk *** implies that the coefficient is statistically significant at 1 percent level. The p-values are in parentheses.

The correlation coefficients were positive and their respective p-values were less than 0.01 as showed in Table 2. The results revealed that the correlation between devolved safety funds and food security index was 0.902 which implies a strong and positive relationship between devolved safety funds and food security index. The results found out that the correlation devolved safety funds and health security index was 0.890 which implies a strong and positive relationship between devolved safety funds and health security index. The results showed that the correlation devolved safety funds and education index was 0.894 which implies a strong and positive relationship between devolved safety funds and education index. The results revealed that the correlation devolved safety funds and poverty index was 0.890 which implies a strong and positive relationship between devolved safety funds and poverty index. The results also found out that the correlation devolved safety funds and welfare index was 0.900 which implies a strong and positive relationship between devolved safety funds and welfare index.

Regression analysis was done to determine the influence of devolved social safety funds on household welfare. Results were presented in Table 3.

Table 3: Regression Results for Devolved Safety Funds

Variable	Food Security index	Health Security Index	Education Index	Poverty Index	Welfare Index
Hunger Safety Net Program (HSNP) (X_1)	0.543*** (17.184)	0.556*** (15.837)	0.534*** (15.024)	0.519*** (14.989)	0.538*** (16.406)
Receipt of Elderly persons (X_2)	0.184*** (4.813)	0.184*** (4.326)	0.172*** (3.986)	0.192*** (4.566)	0.183*** (4.603)
Receipt of Persons with disabilities (X_3)	0.116*** (2.777)	0.128*** (2.774)	0.131 (2.794)	0.111*** (2.431)	0.121*** (2.810)
Receipt of Orphans and Vulnerable Children (X_4)	0.091*** (2.028)	0.045*** (0.897)	0.078*** (1.554)	0.084*** (1.720)	0.075*** (1.604)
Constant	0.221*** (3.554)	0.267*** (3.861)	0.280*** (3.997)	0.292*** (4.283)	0.265*** (4.103)
R-Squared	0.881	0.852	0.849	0.853	0.869
Adjusted R Squared	0.880	0.850	0.847	0.851	0.867
ANOVA (F Statistic)	556.527	432.402	421.121	436.080	498.179

The t-statistics are in parentheses. The asterisk *** implies that the coefficient is statistically significant at 1 percent level.

Hunger safety net program receipts, receipt of elderly, receipt of person with a disability, receipt of orphans and vulnerable children were all related to food security index. An increase in receipts lead to a significant increase in food security. Hunger safety net program receipts, receipt of elderly, receipt of person with a disability, receipt of orphans and vulnerable children were all related to health security index. An increase in receipts lead to a significant increase in health security. Hunger safety net program receipts, receipt of elderly, receipt of person with a disability, receipt of orphans and vulnerable children were all related to education index. An increase in receipts lead to a significant increase in education security. Hunger safety net program receipts, receipt of elderly, receipt of person with a disability, receipt of orphans and vulnerable children were all related to poverty index. An increase in receipts lead to a significant increase in poverty security. In summary, an increase in devolved social safety funds (Hunger Safety Net Program, Receipt of Elderly persons, Receipt of Persons with disabilities and Receipt of Orphans and Vulnerable Children) lead to a significant increase in welfare index.

Conclusion and Policy Implications

The main objective of the study was to examine the effect of devolved social safety funding policies on household welfare in Kenya. Devolved Social Safety funds significantly and positively influence household welfare in Kenya. Therefore, if devolved Social Safety funds are properly distributed to many households in Kenya, household welfare will improve. The research study concludes that the devolved social safety funds that have been received by households in Kenya have helped the households to meet their needs hence improved their welfare. This implies that the government of Kenya needs to reach out to many needy households to provide them with devolved social safety funds so as to alleviate poverty thereby improve their overall household welfare. This will also have an effect of enhancing economic growth in the country.

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