

Does the means justify the end? Targeting the Child Support Grant

Katharine Hall and Jo Monson (Children's Institute)

The South African government has responded to widespread poverty and very high levels of unemployment with a well-developed social security system that delivers grants to a substantial proportion of the population. This goes some way in delivering on Section 27 (1) (a) – (c) of the Constitution, which states that “everyone has the right to have access to ... social security, including, if they are unable to support themselves and their dependants, appropriate social assistance”.

This essay examines some of the key policy and implementation issues related to the Child Support Grant (CSG), which is disbursed to more people than all of South Africa's other six social assistance grants put together.

The information in this essay comes from *The Means to Live: Targeting poverty alleviation to realise children's rights*, the forthcoming report on a three-year research project of the Child Poverty Programme at the Children's Institute, University of Cape Town. The *Means to Live Project* aims to investigate how government poverty alleviation programmes are targeted and the consequences of the targeting for children and their caregivers¹ – particularly where it results in very poor children being excluded from programmes. This essay is an abridged version of the more comprehensive discussion of the CSG in the full *Means to Live* report, to be released in 2007. (See the essay starting on page 31 for more details on this research project.)

This essay focuses on the following questions:

- What is the Child Support Grant?
- Who is eligible for the CSG?
- Why is the CSG so successful?
- Why not extend the benefits of the CSG to all children under 18 years old?
- Why are some eligible children not getting the CSG?
- Do the CSG income thresholds make sense?
- What are the conclusions?

What is the Child Support Grant?

The CSG is the South African government's main programme of social assistance for children living in poverty. It falls under the jurisdiction of the Department of Social Development and is regulated under the Social Assistance Act. The grant aims to provide the poorest parents or caregivers with a small monthly cash amount to cover some of their children's basic needs.

The grant was introduced in 1998 with a cash value of R100 per child per month, paid to a primary caregiver. The cash value has kept pace with inflation over the years, standing at R190 per child per month from April 2006. The ‘primary caregiver’ is defined as a person, whether or not related to the child, who takes primary responsibility for meeting the daily care needs of the child. This definition is based on the principle that the grant should “follow the child”, and it takes into account the fact that many children in South Africa do not live with their biological parents.



¹ Caregivers are those who undertake the primary responsibility for parenting children from day to day. In most, but not all, cases, this is the child's biological mother. Many children are cared for by grandparents, siblings, other relatives, or non-relatives. In the *Means to Live*, specific criteria were used to define one primary caregiver per child to replicate assessments of eligibility. In reality, however, care arrangements are often shared between parents or other household members.

Who is eligible for the CSG?

There are two ways in which the Child Support Grant is targeted. The first is to a specific age category, and the second is to a particular income group.

When the grant was first introduced, only children under the age of six were eligible. In 2003, the government announced an age extension for the grant and, between that year and 2005, the age eligibility was increased in phases – first to children under nine years, then to children under 11 years, and from April 2005 to children under 14 years.

The second targeting mechanism is related to income to ensure that the grant only goes to children living in poverty. A means test is applied to the child's primary caregiver and her² spouse if they are married. If a primary caregiver lives in a rural area or in informal housing in an urban area, she and her spouse must jointly earn R1,100 per month or less in order to qualify for a CSG for the child in their care. If they live in formal housing in an urban area, the means test threshold is R800 per month. These thresholds apply to the income of caregivers, and do not take into consideration the number of children in their care. Despite inflation, the means test has remained the same since its introduction in 1998.

Why is the CSG so successful?

The CSG is one of government's most successful poverty alleviation programmes in that it reaches high numbers of caregivers and their children and has a positive impact on their lives.

High reach

According to the SOCPEN database of the Department of Social Development, in July 2006 over 7.2 million Child Support Grants were being distributed around the country. People can receive their grants through bank or Postbank accounts, or through a pay point operated by a company contracted by the department.

In the *Means to Live* research in an urban site in the Western Cape and a rural site in the Eastern Cape province, it was found that close to two-thirds of eligible children from the research sites were receiving the grant.

Increased school enrolment

Various research studies have found that receiving a Child Support Grant increases the chances that a child will attend school. Research on the impact of social security, led by Michael Sampson of the Economic Policy Research Institute (EPRI), states that "a household's receipt of a Child Support Grant is associated with a reduction of approximately twenty to twenty-five percent in the school non-attendance gap". Other research by Case, Hosegood and Lund used data from the Umkhanyankude district of KwaZulu-Natal and measured the association between CSG receipt in 2002 and school enrolment in 2003 and 2004. They found that receipt of the CSG resulted in an 8.1% increase in school enrolment among six-year-olds, and a 1.8% increase among seven-year-olds when compared with non-recipient households. This occurred despite the fact that recipient households tend to be poorer than other households.

Increased school enrolment of CSG recipients points to the cross-cutting issue of integration in government poverty alleviation programmes. Some schools insist that fees should be paid from social grants. This means in effect that funds are transferred from the Department of Social Development to the Department of Education via children's caregivers. This is both contrary to the intention of poverty alleviation policies, and unlawful in terms of the 2006 amended *National Norms and Standards for School Funding*. School fees are discussed in more detail in the next essay.

Improved nutrition

The Child Support Grant has been shown to have a positive impact on nutrition, growth and hunger. A study by Woolard, Carter and Agüero found that receipt of the CSG for two-thirds of the period of a child's life before the age of 26 months resulted in a significant gain in height, an important indicator of nutritional status. The study showed the importance of making grants accessible as soon as possible after a child's birth to access this window of nutritional opportunity.

More household basics

The EPRI study found that spending in households that receive social grants focuses more on basics like food, fuel, housing and household operations, and that less is spent

² Gender-specific pronouns such as "her" and "she" are used interchangeably with "his" and "he" although, in the majority of cases, caregivers are women.

on tobacco and debt than in households that do not receive grants. They also found that households that receive social grants have lower prevalence rates of hunger for young children as well as older children and adults, even compared to those households with similar income levels.

Why not extend the benefits of the CSG to all children under 18 years old?

Conservative estimates based on data from the *General Household Survey 2003* suggest that, in that year, at least another 2.7 million poor children would have been eligible to receive the CSG if the age threshold were extended to include all children under 18 years who met the income criteria. Children's constitutional right to social assistance does not distinguish on the basis of age, but entitles them to social assistance even if they are 14 years and older. There are also practical reasons for extending the CSG to children under 18:

- Receipt of the CSG has a positive impact on school attendance, as was indicated earlier. School attendance drops from the age of 15 and the most-common reason cited is lack of money for fees. The grant cut-off at 14 years comes just at a time when children enter secondary school, where fees and other school costs are more expensive and where the National School Nutrition Programme (school feeding) is no longer available to them.
- In the context of high poverty and unemployment, with no social security for working-age parents who cannot find a job, poor households depend on social grants for their survival. Although the regulations to the Social Assistance Act require that the CSG be spent on the child, households without adequate income use grants to support the needs of all household members. This effectively dilutes the amount of the grant to the child because it must be shared amongst everyone.

Why are some eligible children not getting the CSG?

While the CSG has been very successful in reaching and benefiting large numbers of children, a significant proportion of eligible children are still not getting the grant. The *Means to Live* found that a third of eligible children in the two sites surveyed were not receiving the grant. These children who have been unintentionally excluded are of great concern. They are defined by government as being in need, but are not receiving the benefit of a poverty alleviation programme designed to help them.

One of the selection criteria for the *Means to Live* sites was that they have poor populations. As can be expected, eligibility rates for the CSG in these areas are higher than for the national population, where calculations include upper income groups. In the urban site, 49% of all children under 14 were eligible and received the grant. However, more than another quarter of the children (27%) were eligible but were not receiving the grant – they account for over a third of all eligible children. Through a series of quantitative and qualitative interviews, the *Means to Live* research identified the barriers that prevent access to the Child Support Grant for children living in the research areas. These are listed in Table 7 and discussed below.

The burden of documentary proof

Table 7 shows that the inability to provide the required documentation is the single biggest barrier to getting the CSG.

The point of a targeted programme is to ensure that the benefit (in this case the grant) reaches the intended population while screening out those defined as ineligible. The CSG has particular mechanisms to achieve this. A range of documentary proof is required to verify that the grants are correctly targeted. However, the *Means to Live* found that the targeting mechanism for the CSG is not always successful in its ability either to include or exclude the appropriate children.

TABLE 7: Barriers to Child Support Grant access in the *Means to Live* research sites

Reason for not applying for CSG (Base: eligible non-beneficiaries in <i>Means to Live</i> sites)	Urban site % of responses	Rural site % of responses
Don't have the necessary documents/identity document/birth certificate	45	51
Too far/expensive/difficult to apply	22	16
Child is not eligible/income too high [note that all these children are eligible]	14	9
Other (not enough time/too ashamed/didn't know about CSG/no caregiver who can apply/ just arrived from Eastern Cape/child gets Foster Child Grant)	19	24

Source: Hall K, Leatt A & Rosa S (forthcoming) *The Means to Live: Targeting poverty alleviation to realise children's rights*. Cape Town: Children's Institute, UCT.

CASE STUDY 1: Ntombekhaya's* struggle for birth certificates

Ntombekhaya is 36 years old and lives in an informal house in Village 3 on the outskirts of Cape Town. When *Means to Live* researchers first interviewed her the household was very crowded because the two rooms were shared by seven family members – Ntombekhaya, her husband, and five children. Together, Ntombekhaya and her husband earn an average of R900 per month.

The household had changed when the researchers visited again six months later. Two of the children recorded in the survey were her late sister's children who Ntombekhaya had been caring for until their father took them, and they had subsequently left the household.

Ntombekhaya's 10-year-old daughter gets the CSG – but this was only after considerable effort. Ntombekhaya was required to produce a clinic card in order to get a birth certificate. But the clinic card had been burnt in a fire some time before. She was therefore told to go to her daughter's school and get proof that she was the mother of the child. The school contacted a superintendent at Home Affairs to discuss this requirement, and gave her a certificate to confirm that the child existed and that Ntombekhaya was the mother. She took this letter to Home Affairs and applied for the birth certificate. Once she had the birth certificate she could apply for the CSG.

Ntombekhaya was less successful in her efforts to obtain a grant for her youngest child, a boy in Grade 1. Siphso doesn't have a birth certificate or a clinic card because these were also burnt. Ntombekhaya was unable to prove that the child belonged to her. Her efforts to get proof of his birth from the clinic failed – they simply refused. To make matters worse, there was an error on the computer system at the school; so when she went there for proof of his identity, the certificate they produced recorded her late sister as the child's mother. An official at Home Affairs checked on his computer "but the name didn't come up so there was nothing that he qualified for. He's in my home but they say he's not my child".

* All names have been changed to protect identities.

Source: Hall K, Leatt A & Rosa S (forthcoming) *The Means to Live: Targeting poverty alleviation to realise children's rights*. Cape Town: Children's Institute, UCT.

While a third of eligible children in the urban site were not receiving the grant, half of those who were technically ineligible on the basis of their income were in fact beneficiaries. In other words, the administrative requirements to keep *ineligible* children from getting the grant are not effective and are also stopping *eligible* children from getting the grant. Arguably, the emphasis of this poverty alleviation programme should be on including as many poor children as possible.

Unlawful conditions

While the draft regulations of 2004 stipulate six conditions related to the CSG (including immunisation and school attendance if the child is of school-going age) these conditions would be applicable to primary caregivers who *already* receive the grant; they are not conditions for being awarded the grant in the first place. It is therefore unlawful for officials to prevent caregivers from submitting an application on the basis that they do not have proof of immunisation or school attendance for their children, as was found in both the urban and rural research sites.

While a full discussion of conditions is beyond the scope of this essay, the *Means to Live* researchers argue that even where conditions are legally applied in accordance with the policy, they are contrary to the principle of entitlement and create difficulties for applicants, which could result in multiple exclusions.

Problems of physical access to government offices

After the difficult document requirements, the second most-common reason for not applying for the CSG cited by 22% of those eligible who did not apply in the urban site was that it was too difficult or far and/or costly to apply for a Child Support Grant. This is an entitlement failure where the very people targeted by a poverty alleviation programme do not have the resources or capabilities to access the programme. In the case of the CSG, the costs and consequences of a successful application are many and varied. A few are outlined below:

- The cost and/or time of travelling to and from the Department of Social Development and other government offices (particularly the Department of Home Affairs) to obtain documents. Sometimes this requires travelling across provinces.
- Waking up very early and enduring long waits at the Department of Social Development and other government offices.
- The loss of work or time for income-generating activities.
- Negotiating leave from an employer, making child care arrangements and having to involve others (family members/friends) in the process.

The costs and effort are increased when applicants have to make multiple trips. Applicants are often sent away to correct errors on their affidavits, collect more documentation, or make photocopies. Sometimes applicants are turned away simply because the officials have reached their quota for the day. Many caregivers in the *Means to Live* research describe a CSG application process that is difficult and labour-intensive, requiring a number of trips to the social development and other government offices. This is well illustrated in the case study of Ntombekhaya on the previous page.

Some of the limitations in implementing the CSG and the resulting exclusion of eligible children from receiving the grant have been described here. In the next section, limitations in the conceptualisation of the means test are discussed with reference to caregivers' realities in the *Means to Live* research sites.

Do the CSG income thresholds make sense?

Static thresholds

As indicated earlier, the means test thresholds based on the joint income of the primary caregiver and her spouse have not increased with inflation since it was set in 1998. Calculations using the Consumer Price Index (CPI) show that, if they were adjusted with inflation, the income thresholds today would have been R1,200 and R1,650 respectively for caregivers living in urban areas, and in rural areas or informal dwellings in urban areas. This means that children's caregivers had to be 50% poorer in 2006 to qualify for the CSG than those who were eligible in 1998.

While the suppression of the threshold does not significantly affect eligibility levels in the rural site (because there is so little income) it results in a substantial number of exclusions in the urban site. When the means test was replicated at the inflation-adjusted thresholds calculated by using the CPI, it was found that the proportion of urban children eligible for the CSG had increased from 70% to 82%. This means the static threshold effectively excludes 12% of children who were originally targeted, and in this sense the programme has been retrogressive.

Inequitable thresholds

The income threshold for the CSG is set at a specific Rand value, irrespective of the household size or number of children in the household. But is this an equitable basis on which to determine eligibility? Table 8 presents some infor-

TABLE 8: CSG eligibility in the context of household arrangements, from the *Means to Live*

Household description	Caregiver income (Rands)	Number of children	Income per child (Rands)	Eligible for CSG
An urban formal household of 10 members, with six children	R850	6	R142	✗
An urban formal household of four members, with one child	R700	1	R700	✓
A single mother and five children in a formal urban dwelling	R900	5	R180	✗
Two adults and two children in an urban informal dwelling	R1,100	2	R550	✓
Two adults and three children in an urban informal dwelling	R1,200	3	R400	✗
A rural household with two children	R1,100	2	R550	✓
A rural household with three children	R1,200	3	R400	✗

Source: Hall K, Leatt A & Rosa S (forthcoming) *The Means to Live: Targeting poverty alleviation to realise children's rights*. Cape Town: Children's Institute, UCT.

mation extracted from a few of the surveyed households, demonstrating that it makes little sense to consider income without taking into account the number of children who need to be supported by the income.

It is clear from Table 8 that the eligibility criteria discriminate against households with greater numbers of children. This is an important limitation at the level of conceptualisation, particularly in a context where children move into and out of households as was evident in the case study of Ntombekhaya. Fluctuations in household size make it unfeasible to use per capita income. Dispensing with the means test is a simple way to ensure equitability.

Standard threshold versus fluctuating income

A further limitation of conceptualisation is trying to apply a standard income threshold in the context of varying income. Unemployment rates are high and many households do not have a regular source of income through wages. Other sources of income – such as income from remittances and informal sector activity – tend to be less reliable. The *Means to Live* found that most children who failed the means test at the time of the survey had caregivers with incomes that were only just above the threshold. In reality, it is likely that many excluded children move in and out of the eligible income range, as do beneficiaries. In light of this, decisions about inclusion and exclusion on the basis of income appear arbitrary.

What are the conclusions?

The Child Support Grant is highly effective in improving the lives of millions of poor children through a small monthly cash amount paid to their primary caregivers. Nevertheless,

perhaps some of the most-marginalised children who are eligible for the grant are not receiving it due to difficulties in acquiring the right documentation and in gaining access to the relevant offices to apply.

Failure to adjust the means test since 1998 in accordance with inflation also excludes more children each year. Further issues related to the means test include not taking household size or fluctuating incomes into account. Finally, the grant cut-off age at 14 years comes at a time when children are particularly vulnerable and often results in the dilution of grants disbursed to younger siblings.

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