Chapter 1 Introduction and method

1.1 Background and motivation

Social security in the form of cash grants from the state is quite unusual in the developing world. Compared to most other middle-income countries. South Africa possesses a substantial system of state funded social assistance, mainly in the form of old age, disability and child grants. While other countries were scaling down on social spending, South Africa introduced a new grant for children in 1998. It was announced in parliament this year that the Child Support Grant will be extended and that the levels of other social security grants will be increased. Although contrary to policy of dominant international advisory organisations on social security, such as the World Bank, this extension is mainly due to the South African experience of cash grants as a powerful instrument of poverty alleviation and economic development. This spending is also an effort to realise Section 27 (1) and (2) of the Constitution of the Republic of South Africa (Act 108 of 1996) which states that "Everyone has the right to have access to social security", while the "... state must also take reasonable legislative and other measures, within its resources to achieve the progressive realization of each of these rights."

In terms of spending on social security, it seems that in comparison to other provinces, the Western Cape Province and its Department of Social Services and Poverty Alleviation are doing particularly well in providing poverty relief through grant payment. Approximately ten percent of the population of the province are beneficiaries of social security grants. The bulk of grant payments (approximately 95%) is spent on the Old Age Grant (OAG), the Child Support Grant (CSG) and Disability Grant (DG). The other five percent of grant payments go to the Foster Child Grant (FCG), Care Dependency Grant (CDG), War Veteran Grant (WVG), Grant in Aid (GI) and Institutional Grant (IG). Although fragmented and not comprehensive, the system of social security in the Western Cape is making a valuable contribution to the social and economic well-being of poor children, the elderly and the disabled as well as their households.

From *recent* studies on the living conditions of the main target groups of social security grants and the impact of these grants (Hunter 2002a and 2002b, Bray 2002) it seems that there are still *major gaps* in understanding the impact of social security grants. National surveys on poverty do not include sufficient and detailed questions on social security grants to enable end-users of the data such as government departments, to do proper monitoring and evaluation of the effect of social security grants on poverty alleviation. The Department of Social Services and Poverty Alleviation (Western Cape) realised this need and commissioned research on grant beneficiaries in the Western Cape. A tender was awarded to Datadesk in June 2003 to undertake

research on a profile of grant beneficiaries in selected magisterial districts in the Western Cape Province. The project officially commenced on 1st July 2003.

1.2 Project aim and objectives

The main aim of the study is to develop a socio-economic and demographic profile of the beneficiaries of social security grants in selected magisterial districts in the Western Cape.

According to the terms of reference as set out by the Department, a *survey* was to be conducted to construct a socio-economic profile of beneficiaries and their households in terms of the following:

- Who is applying
- From where are beneficiaries applying/residing
- What are the household conditions of beneficiaries (including a profile of the living conditions, structure of the household, the number of dependants)
- What are the health and welfare conditions of beneficiaries
- What is the financial/ economic status of the beneficiary (including a profile on income/ other remittances, expenditure and consumption patterns in terms of classifiable economic data and financial indicators, and the extent of formal and informal debt).

Following the tender meeting specific profiles need to be constructed:

Biographic profile:

Covering variables such as age, gender, race, home language, education, duration as a beneficiary, migration history including place of birth, period of time at present address, place of registration for grant, district office used and distance to nearest office of the department or payout point.

Socio-economic profile including:

A household profile including living conditions, household size, number of dependents, relationships amongst household members.

Social profile in community which impacts on the spending of the grant.

Nutritional profile including consumption of essential foods.¹

Income profile reflecting all sources of income and/or economic activities (formal and informal) of the beneficiary, frequency of income over a period of time, income in-kind benefits and employment status.

¹ This topic was omitted from the study based on input from researchers from the Medical Research Council. The topic is too comprehensive to add to the already broad terms of reference. The Department agreed to this omission.

Expenditure profile including:

Expenditure items, expenditure in terms of medical/health practitioners, expenditure on leisure/ recreational activities including various forms of gambling and 'dependency' items and expenditure on servicing various forms of debt.

Service and perceptions profile:

Covering certain aspects of social service delivery including the number of times the Department's office was visited before first payout and perception of service received while applying for grant.

1.3 Methodology

1.3.1 Bibliography

A comprehensive set of South African and international documents on social security were consulted in order to identify surveys of a similar nature. Insights gained from these documents informed the construction of the field instruments, the identification of key informants for the study and provided pointers for the analysis of the data.

1.3.2 Reference group

A reference group of experts in the field of social security was established to assist in the refinement of the research design, development of field instruments and data analysis. Reference group members were Debbie Budlender (CASE), Monica Ferreira (University of Cape Town), Theresa Guthrie (IDASA), Francie Lund (University of Natal), Paula Proudlock (Children's Institute, UCT), Rose September (University of the Western Cape) and members of the Department of Social Services and Poverty Alleviation. Two workshops with the reference group were held. The first workshop focused on refining the research design of the study as well as the development of the field instruments and during the second workshop preliminary findings and the writing of the report were discussed.

1.3.3 Modes of observation

In order to cover the objectives of the study, the following modes of observation were applied:

- A survey of adult beneficiaries of social security grants and their households (which represented the main instrument for data collection).
- In-depth interviews with researchers/consultants in the field of social security as well as individuals in the various communities mainly to enhance the quality of the questionnaire.

 Focus group discussions with those benefiting directly from social security.

1.4 Field instruments

The following field instruments were developed for the study:

- A questionnaire for individual grant beneficiaries and their households.
- List of topics for discussion during focus groups.
- List of topics for discussion during in-depth interviews.

The questionnaire was revised several times and the final document represents the fourth version (see Appendix 1). The questionnaire was tested in three areas within the Western Cape, namely Malmesbury, Atlantis and Stellenbosch. Pilot testing involved evaluation by members of the reference group, representatives of the Department of Social Services and Poverty Alleviation and pilot interviews with beneficiaries. The questionnaire was available in Afrikaans, Xhosa and English.

The pilot study involved three phases. Phase one consisted of in-depth interviews and ten pilot interviews. During phase two the questionnaire was reviewed in consultation with members of the reference group and officials from the Department. During phase three another ten interviews were conducted and the questionnaire was again thoroughly revised. The changes were discussed during a workshop with the Department and sent to reference group members for final comment. A few minor changes were made and the questionnaire was then translated into Afrikaans and Xhosa. Certain translations were changed in the Xhosa version after input from fieldworkers during training.

1.5 Population and sample of social grant beneficiaries

The population for the survey consisted of social grant beneficiaries from 12 magisterial districts in the Western Cape (see map). These magisterial districts included Beaufort West, Murraysburg, Prince Albert, Laingsburg (the four Karoo magisterial districts), Mitchell's Plain, Goodwood, Vredenburg, Malmesbury, Hopefield, Ceres, Caledon and Mossel Bay. The magisterial districts were purposively selected by the Department based on various criteria such as level of poverty, the incidence of farm workers and the proximity of casinos. The purpose of the study is not to generalise findings to all beneficiaries in the province, but only to generalise findings to a particular magisterial district. On request of the department the results will be presented per magisterial district.

Each magisterial district consists of two or more areas (Table 1.1). In some instances areas represent towns and in other instances suburbs or neighbourhoods (in the Mitchell's Plain and Goodwood magisterial districts). Certain areas are quite diverse. For example, the Mitchell's Plain magisterial district includes Khayelitsha consisting of mainly Xhosa-speaking African beneficiaries who live in informal dwellings, while the rest of the district

consists of predominately Afrikaans-speaking coloured beneficiaries who live in formal dwellings. It is important to note that the sample sizes of the areas are in most instances too small to allow for a comparison between areas within a particular magisterial district.

Table 1.1: Areas per magisterial district

Magisterial district	Areas		
Beaufort West	Beaufort West		
Laingsburg	Laingsburg		
Prince Albert	Prince Albert Leeu Gamka		
Fillice Albert			
Murraysburg	Murraysburg		
	Kalksteenfontein	Nooitgedacht	
	Elsies River	Bonteheuwel	
	Netreg	Goodwood	
Goodwood	Ruyterwacht	Vasco	
	Valhalla Park	Matroosfontein	
	Bishop Lavis	Pinelands	
	Portlands	Beacon Valley	
	Morgenster	Tafelsig	
	Rocklands	Westridge	
	Woodridge	Khayelitsha Site B	
B. 1. 111 B. 1. 1.	Delft	Khayelitsha Site C	
Mitchell's Plain*	Strandfontein	Khayelitsha Harare	
	Woodlands	Khayelitsha Greenpoint	
	Lentegeur Khayelitsha Macassar		
	East Ridge	Khayelitsha Town Two	
	Saldanha		
Vredenburg	Vredenburg		
Hama Call	Hopefield		
Hopefield	Langebaan		
	Ceres		
Ceres	Prince Alfred Hamlet		
Ceres	Koue Bokkeveld		
	Atlantis	Darling	
Malmesbury	Malmesbury	Mamre	
Mamiesbary	Riebeeck West		
	Caledon	Grabouw	
Caledon	Villiersdorp	Genadendal	
	Botrivier		
Mossel Bay	Groot Brakriver		
	Mossel Bay		

^{*} In the Goodwood magisterial district Langa and Guguletu were not included in the original list of payout points provided for sample selection by the Department.

A list of all grant incidences in the Western Cape was obtained from All Pay based on SOCPEN information for July 2003. This list was utilised as the sampling frame for the study. The sampling frame was stratified in terms of grant type per magisterial district. A proportional stratified random sample was selected form each of the twelve magisterial districts. As in most studies of this nature, the sample size had to be limited due to cost considerations. The sample size of grant incidences was limited to 100^2 in magisterial districts where there were 5 000 or less grants, while in magisterial districts with 5 000 to 9 999 grants, the sample size was 120 and for magisterial districts with 10 000 grants or more, 200 grant incidences were included in the sample (Table 1.2). Taken together over all magisterial districts a total of 1 480 grant incidences (linked to adult beneficiaries) were selected. Where a specific adult beneficiary was selected more than once based on grant incidence, it was replaced. A replacement sample was selected on the same principles.

Table 1.2: Sample size stratified in terms of grant type

Magisterial district	OAG Count	DG Count	CSG Count	GIA Count	FCG Count	CDG Count	Sample size
Beaufort West	22	41	41	2	12	2	120
Laingsburg	23	25	46	1	4	1	100
Prince Albert	19	26	47	2	5	1	100
Murraysburg	19	27	41	3	9	1	100
Goodwood	81	64	36	4	13	2	200
Mitchell's Plain	29	37	123	1	7	3	200
Vredenburg	34	31	27	1	6	1	100
Hopefield	60	27	3	1	9	0	100
Ceres	41	27	40	1	8	3	120
Malmesbury	29	29	53	1	5	3	120
Caledon	34	24	53	1	7	1	120
Mossel Bay	30	32	28	1	7	2	100
Total	421	390	538	19	92	20	1480

These sample sizes per magisterial district are relatively small, especially where groups were distinguished per grant type within a particular magisterial district. There are for example instances where an individual case can represent ten percent or more, resulting in the results being unstable. This is especially true of the FCG and CDG. For these two grants it was decided not to distinguish between magisterial districts in analysis/reporting. However, care should be taken not to generalize findings to all beneficiaries of these two grant types. Furthermore, it was decided not to present a separate profile of the small number of Grant in Aid beneficiaries included in the study, but rather

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² Note on sampling error: In a heterogeneous population (e.g. a 50%/50% split), samples of 100 will produce in 95% of cases values of not lower than 40% or higher than 60% (i.e. ten percentage points below or above the true value), while these values for samples of 200 will not be lower than 43% or higher than 57% (i.e. seven percentage points below or above the true value). In a homogeneous population (e.g. a 10%/90% split), samples of 100 will produce in 95% of cases values of six percentage points below or above the true value, while these values for samples of 200 will not be lower than four percentage points below or above the true value.

to include them where appropriate in the profiles on OAG and DG beneficiaries.

Due to the fact that the sampling unit was grant incidence and that there are in certain households more than one grant beneficiary/incidence, data are available on significantly more beneficiaries than in the original sample. Not all questions of the questionnaire were asked to these beneficiaries, but at least all socio-demographic questions were covered. Sections on grant history (where they applied, when, problems experienced, etc.) were only put to the particular beneficiary whose grant incidence was recorded on the sample list. Socio-economic data are available for 2 650 incidences of social grants and not only for the 1 480 incidences included on the sample list (See Table 1.3).

Table 1.3: Grant incidence included in the study

Magisterial district	Original sample size based on grant incidence	Actual sample size based on grant incidence
Beaufort West	120	274
Laingsburg	100	185
Prince Albert	100	196
Murraysburg	100	225
Goodwood	200	358
Mitchell's Plain	200	304
Vredenburg	100	152
Hopefield	100	155
Ceres	120	219
Malmesbury	120	218
Caledon	120	200
Mossel Bay	100	164
Total	1 480	2 650

1.6 Sample realization

In 71% of the cases questionnaires were completed at the originally selected address (see Table 1.4 for replacement statistics). From Table 1.5 it seems that the main reason for replacing the original addresses was because the beneficiary did not live at the particular address registered on the official database and could not be traced. In the majority of these cases, beneficiaries moved and their new addresses were unknown. In a few cases addresses could not be found (especially in Khayelitsha in the Mitchell's Plain magisterial district) and in a few other cases inhabitants at certain addresses reported that the beneficiary is unknown to them. Four persons on the sampling list indicated that they never received a grant. Only eight refusals were reported.

Table 1.4: Replacements in sample

Magisterial	Replace	ements	Total
district	Not Replaced	Replaced	
Beaufort West	95	25	120
Laingsburg	87	13	100
Prince Albert	66	34	100
Murraysburg	78	22	100
Goodwood	155	45	200
Mitchell's Plain	125	75	200
Vredenburg	78	22	100
Hopefield	80	20	100
Ceres	84	36	120
Malmesbury	71	49	120
Caledon	70	50	120
Mossel Bay	68	32	100
Total	1 057	424	1 480

Table 1.5: Reasons for replacement of addresses

Reasons for replacements	Number	Percentage
Moved, new address unknown	240	56.6%
Address not found	37	8.7%
Other	37	8.7%
Beneficiary unknown	34	8.0%
Not available during fieldwork period	27	6.4%
Deceased	17	4.0%
Respondent in prison	11	2.6%
Refused	8	1.9%
Grant discontinued	7	1.7%
Person never received grant	4	0.9
Reason unknown	2	0.5%
Total	424	100.0%

Reasons listed under the 'Other' category in Table 1.5 include the following: beneficiary was under the influence of alcohol, beneficiary in hospital, unable to contact farmer within fieldwork period to arrange interview on farm, farm too far (over 100 km one-way on dirt road), beneficiaries moved to RDP houses and could not be traced, shacks burnt down and beneficiaries not traceable, beneficiary lives in a state funded retirement home, child beneficiary older than qualifying age for grant, child left school and therefore the FCG was discontinued, beneficiary did not turn up for appointment, problems with language, house is vacant and incomplete address.

1.7 Sample verification

The proportions for the various grant types in the magisterial district samples correspond with the proportions of the beneficiary population on the SOCPEN database. By comparing mean age statistics produced by the 12 twelve

magisterial district samples per grant type with the parameters on the official SOCPEN database, it seems that the samples produced statistics very similar to the population values (see Table 1.6). The only significant deviations occurred with the statistics for the FCG and CDG due to the small sample size (see also footnote 2 on sampling error).

Table 1.6: Comparison of mean age of population and sample per grant type

Old Age Grant		SOCPEN mean	Sample mean	Sample size
Beaufort West	Age	71	71	22
Laingsburg	Age	71	71	23
Prince Albert	Age	71	72	19
Murraysburg	Age	71	72	19
Goodwood	Age	70	70	81
Mitchell's Plain	Age	69	68	29
Vredenburg	Age	70	71	34
Hopefield	Age	71	70	60
Ceres	Age	70	71	41
Malmesbury	Age	70	69	29
Caledon	Age	70	70	34
Mossel Bay	Age	70	70	30

Disability Grant		SOCPEN Mean	Sample mean	Sample size
Beaufort West	Age	46	47	41
Laingsburg	Age	47	46	25
Prince Albert	Age	46	50	26
Murraysburg	Age	45	46	27
Goodwood	Age	46	45	64
Mitchell's Plain	Age	43	41	37
Vredenburg	Age	47	47	31
Hopefield	Age	46	46	27
Ceres	Age	46	46	27
Malmesbury	Age	46	47	29
Caledon	Age	46	46	24
Mossel Bay	Age	46	46	32

Child Support Gra	nt	SOCPEN Mean	Sample mean	Sample size
Beaufort West	Age	32	32	41
Laingsburg	Age	31	30	46
Prince Albert	Age	32	29	47
Murraysburg	Age	35	36	41
Goodwood	Age	31	30	36
Mitchell's Plain	Age	32	33	123
Vredenburg	Age	31	30	27
Hopefield	Age	32	32	3
Ceres	Age	30	30	40
Malmesbury	Age	30	27	53
Caledon	Age	30	30	53
Mossel Bay	Age	31	30	28

Foster Child Grant		SOCPEN Mean	Sample mean	Sample size
Beaufort West	Age	50	48	12
Laingsburg	Age	52	53	4
Prince Albert	Age	52	53	5
Murraysburg	Age	52	53	9
Goodwood	Age	52	53	13
Mitchell's Plain	Age	50	49	7
Vredenburg	Age	52	58	6
Hopefield	Age	54	56	9
Ceres	Age	49	54	8
Malmesbury	Age	50	57	5
Caledon	Age	50	60	7
Mossel Bay	Age	51	51	7

Care Dependency	Grant	SOCPEN Mean	Sample mean	Sample size
Beaufort West	Age	40	49	2
Laingsburg	Age	33	36	1
Prince Albert	Age	37	39	1
Murraysburg	Age	40	42	1
Goodwood	Age	37	45	2
Mitchell's Plain	Age	38	46	3
Vredenburg	Age	39	43	1
Hopefield	Age	36	N/A	0
Ceres	Age	37	28	3
Malmesbury	Age	38	34	3
Caledon	Age	38	48	1
Mossel Bay	Age	38	34	2

1.8 Fieldwork

1.8.1 Recruitment and training of fieldworkers

Training of fieldworkers took place during the week of 1 to 4 September 2003 at the University of Stellenbosch. The group consisted of coloured and African people who had at least matric as a qualification. During training the group was divided into an Afrikaans-speaking and a Xhosa-speaking group. Researchers from Datadesk trained both groups. Fieldworkers were thoroughly trained in the relevant aspects of survey design and sampling, conducting interviews, protocol and research ethics, as well as the content of the questionnaire. As part of their training fieldworkers had to complete a questionnaire with respondents in Stellenbosch randomly selected from the All Pay dataset. In addition to the successful completion of the questionnaire fieldworkers also had to successfully complete a short evaluation in the form of a test. Pilot interviews were discussed with fieldworkers and an additional training session was arranged to focus on problems fieldworkers experienced. A team of 33 fieldworkers was eventually selected (18 Afrikaans-speaking and 15 Xhosa-speaking).

1.8.2 Survey of grant beneficiaries and their households

Face-to-face interviews were conducted with beneficiaries and/or representatives of their households. Questions in sections A to D of the questionnaire were put to the person who was the most knowledgeable on the characteristics of the beneficiary household and household members. Items in section E were completed by the 'beneficiary respondent', i.e. the person whose name was on the sampling list. In cases where someone else collected the grant and managed the money on behalf on the beneficiary, that person acted as beneficiary respondent. In the majority of cases (76%) the beneficiary respondent was also the respondent on the household section.

Fieldwork commenced on 10 September 2003 and was completed on 30 November 2003. A total of 1 480 interviews were completed. Three researchers from Datadesk coordinated fieldwork within all twelve magisterial districts. In order to ascertain the quality and reliability of the fieldwork, coordinators exercised strict quality control over the fieldworkers by checking all completed questionnaires for mistakes and incongruence. Especially at the start of the fieldwork, fieldworkers had to revisit respondents to attend to queries from coordinators. A check-back procedure was also followed where twenty percent of visiting points were revisited. The check-back process included two aspects: checking whether the fieldworker visited the correct address and beneficiary and asking some of the questions to the respondent to check whether the fieldworker asked the questions.

Cooperation from the respondents was good and only eight refusals were reported. Interviews lasted on average one hour. Fieldworkers distributed booklets on social grants, lists of contact numbers of district offices and information on the Department's toll-free number to respondents. These items were supplied by the Department of Social Services and Poverty Alleviation.

During December 2003 a debriefing workshop was held where fieldworkers had the opportunity to reflect on their experiences and the quality of the data. This workshop was also attended by staff from the Department of Poverty Alleviation and Social Services. Fieldworkers were in general of the opinion that the reliability of the data is good, but some mentioned problems respondents experienced in terms of household expenditure. Their opinion was that data on income provide a more reliable picture of the economic situation of households than data on expenditure. Fieldworkers were also of the opinion that the use of alcohol was underreported, not atypical where questions require respondents to express socially less desirable behaviour. Reactivity could also be high due to the likelihood that some respondents might have feared that they will lose their grants,

1.8.3 Focus group discussions

A total of eleven focus groups with grant beneficiaries were completed during the fieldwork period and discussions concentrated on the issues identified during the first reference group workshop (see Appendix 2 for themes). Fieldwork coordinators acted as facilitators and scribes at focus group discussions. Focus group discussions were held with:

- two groups of grandparents receiving the CSG
- two with OAG beneficiaries
- three with young/teenage mothers receiving the CSG (one Xhosaspeaking group, two Afrikaans-speaking groups)
- three with DG beneficiaries (one mixed gender group and one male and one female group)
- and one with caregivers receiving the FCG.

1.8.4 In-depth interviews

Twelve in-depth interviews were conducted during the fieldwork period by the fieldwork coordinators:

- In the magisterial districts included in the sample the following respondents were interviewed: a retired farm worker, a local missionary, an owner of a cash loans business, a funeral scheme employee, a local advice office employee, two grocery store owners, a municipal clerk
- An NGO representative was interviewed on accessing social grants, a senior researcher was interviewed on the Care Dependency Grant, a consultant was interviewed on the topic of gambling, a medical practitioner was interviewed on Disability Grant applications and two senior officials from the Department of Social Services and Poverty Alleviation were interviewed on social security policy and payments (see Appendix 3 for themes).

1.9 Processing of survey data

Six individuals were trained in entering the data into SPSS. Data were checked for logical inconsistencies and entering errors by running specific queries. On completion of the fieldwork, fieldwork coordinators also participated in cleaning the dataset.

All responses on open-ended questions were recorded in electronic format and the researchers developed coding schemes for these variables.

1.10 Limitations of study

It is important to note that findings can only be generalised to particular magisterial districts and not to the province as a whole. In chapters 2 to 6, 9 and 10 findings are presented per magisterial district. However, in the case of the Karoo, it would be possible to do further analysis through combining the data of all the areas in order to generalise to beneficiaries in the Great Karoo. As stated under the description of the sample, due to the relatively low number of cases, findings in chapters 7 and 8 are not presented per magisterial district. Care should be taken not to generalise findings from these chapters to the province as a whole – it merely provides descriptive information on selected beneficiaries in particular magisterial districts.

Due to the limited sample size per magisterial district, it is in most instances not possible to disaggregate data in terms of more than one (independent) variable. Although it was not the purpose of the study, had the sample been drawn from the list of all beneficiaries of the Western Cape and not from certain purposively selected magisterial districts only, this would have been possible. Another limitation is that there is no control group to compare the results on beneficiary households against (e.g. comparing grant beneficiary households with non-beneficiary households).

1.11 Structure of report and presentation of findings

The report consists of eleven chapters and due to its volume, it is divided into three volumes. This first introductory chapter is followed by Chapter 2 on characteristics of beneficiary households, followed by Chapter 3 on income and expenditure in beneficiary households. In chapters 4 to 8 findings are presented on individual grant beneficiaries (a chapter each on the Old Age Grant, Disability Grant, Child Support Grant, Foster Child Grant and Care Dependency Grant). Chapter 9 focuses on children, with the first part of the chapter on all children and the second part on beneficiaries of specific child grants. In Chapter 10 findings are presented on beneficiaries' perceptions and experiences of service levels at offices of the Department of Social Services and Poverty Alleviation and the payout points. The last chapter, Chapter 11, provides conclusions and recommendations. This chapter was written in collaboration with the Department.