

ADFJ ISSN 2522 - 3186.

African Development Finance Journal

VOLUME 5 (4)

*Socio Economic Impact of Covid 19 on Informal
Settlement Households in Mombasa County: A Policy
Brief*

Zipporah Onsomu

Date Received: July, 12, 2023

Date Published: August, 28, 2023

Socio Economic Impact of COVID 19 on Informal Settlement Households in Mombasa County: A Policy Brief

By: Zipporah Onsomu (PhD)¹

Summary

The Covid-19 pandemic impacted the society negatively in all spheres of life. It resulted in food insecurity, loss of livelihoods, children dropping out of school, and social effect whereby gender based violence increased. The government initiated various measures to remedy the adverse effect of Covid-19 on the lives of Kenyans – particularly people living in poverty and the most vulnerable. The initiatives to a large extent did not remedy its objective among the poor households. This policy brief recommends the following for the current state and future pandemics, in terms of food insecurity, mechanisms for food distribution should be properly put in place to ensure all the vulnerable households are assisted without discrimination. In terms of improving the financial wellness and help the poor households to overcome the impact of the pandemic, the government should give grants loans to the vulnerable households to enable them to restart their small businesses, which closed during the Covid-19. The households also need training on financial literacy to enable them save money to cater for emergencies. In case loans are to be provided, the rates should be favourable and a long repayment period granted. In terms of alleviating the negative social impact of the pandemic, there is need for women to be trained on their rights so that they can identify any form of violence. They should be empowered so that they do not rely on their spouses as this makes them prone to abuse. Empowerment programmes are therefore recommended. This research investigated the social-economic impact of COVID-19 on informal settlement households with a view of coming with a policy framework which will cushion poor households affected by the pandemic and also for any future pandemics.

Keywords: *Socio Economic Impact, Informal Settlement Households*

Introduction

This policy brief is based on a research conducted among informal settlement households in Mombasa County, Nyali Sub-county. The research was necessitated by the need to bring to the limelight the pain the poor households were experiencing from the impact of Covid-19. The pandemic was reported in Kenya on 12th March, 2020. Globally, the impact of covid-19 not only paralyzed the business activities but also changed their mode of operations and majority of countries showed a negative impact of Covid-19. Kenya equally suffered the impact of Covid-19 as the scourge slowed down business activities. To cushion Kenyans from negative impact, the government of Kenya has established the National Coordination Committee on the Response to the Corona Virus Pandemic (NCCRCP) to assess the impact of the virus and come up with various feasible recommendations for the economy. Measures were instituted to combat the adverse effect of Covid-19. The measures included closure of public spaces with high human traffic, such

¹ Lecturer, Department of Finance and Accounting, Faculty of Business and Management Sciences, University of Nairobi, Email: zosomu@uonbi.ac.ke

as schools and public events and dusk-to-dawn curfews. However, these precautionary measures continued to have negative economic impacts on businesses, households and workers. The findings from this study provides results which will enable the government (county and national) and also partners to formulate sustainable solutions to the problems affecting vulnerable people in the informal settlements due to the pandemic.

The finding from this study depicted that Covid-19 pandemic had an enormous impact on the households in social and economic aspects. In terms of food insecurity, the study applied the Food Insecurity Experience Scale (FIES) which has 8 questions. Low raw scores correspond to less severe food insecurity and high scores indicates severe food insecurity. The mean score was 7.61 out of the total score of 8.0. This depicts severe food insecurity among the households during the pandemic period. This was supported by the daily expenditure of less than sh. 100 by 36.7% of the households, between sh. 100 – sh. 500 (62.9%) and 0.4% of the households spending more the sh. 500.

In terms of the financial impact, a large proportion of the households lost their employment during the Covid-19. 74% of the full time/casual employment lost their employment while 70% of those in self - employment lost their employment. Of those who retained their employment, 5.4% and 20% of the full time/casual employment and self-employment experienced a reduction in their earnings. Schooling of children was also affected. Covid - 19 had a negative effect on learners when schools were opened, 43% of the households failed to enroll (children joining school in grade 1 or university/college) their children successively. This was attributed to lack of fees as some households lost their source of income during the pandemic. 70.4% of the households with continuing children reported that their children successfully went back to school. This implies that 29.6% of the households' children failed to report to school when the schools reopened. In terms of the social impact, Gender Based Violence (GBV) cases during the pandemic period was evidenced. The findings depicted that GBV was experienced by women only. None of the men interviewed reported GBV. 19.2% of the women reported GBV. The noted forms of violence were psychological, economic and physical.

In terms of intervention, the study noted that there was food assistance from private organizations, NGOs and government. However, the proportion of the households which received was only 12.1%. A majority of the households (87.9%) did not receive any assistance during the study period. There was evidence of

discrimination in the distribution as some families were left out. 62% of the households received once, 14% received twice and the rest received three times (17%) and four times (7%) respectively. 11% of the households were of the view that the distribution was sufficient while the rest (89%) had contrary opinion.

Key Recommendations

The key recommendations from the study are:

- (i) To curb the food insecurity, there should be mechanisms in place to ensure that the distribution is fairly done so that each needy household is catered for. There should be no discrimination as all families are equally affected.
- (ii) To improve the financial wellness of the poor households, financial support is required to enable them to restart their small businesses which collapsed during Covid-19. Training on financial literacy is also recommended so that they can be taught on how to plan their finances and plan for emergencies.
- (iii) In terms of the social impact, there is need for women to be trained on their rights so that they can identify any form of violence. Empowerment programmes are therefore advised so that they do not rely on their spouses as this makes them prone to abuse.

Policy Implications

- (i) The national government and the county government should collectively establish a framework on how assistance to the poor households should be managed to avoid appointing people arbitrarily to facilitate the exercise.
- (ii) The national government and county government should conduct an intensive public awareness exercise on the funding available to the vulnerable groups and also establish a kitty to provide grants for those households which are not able to service loans.
- (iii) The national government and county government should partner with universities to roll out an all-inclusive women empowerment training programme. This will enable the vulnerable women to be empowered and therefore cushion them from abuse.