

# How can group-based savings programs provide support for vulnerable families and their children?

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## Background – Problem

- Millions of children around the world are living in situations without parental care.<sup>1</sup>
- Families experience multiple challenges that lead to family-child separation, with financial hardship a primary theme.<sup>1,2,3</sup>
- The integration of economic strengthening interventions into family strengthening activities requires knowing which interventions might work for which households.<sup>4,5</sup>
- Savings groups can help stabilize impoverished households, but have not yet been tested in the specific context of family-child separation/reintegration.<sup>6,7</sup>



Photo credit: FARE project

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Our objective with this analysis was to assess effects of savings group participation on child protection and household economic vulnerabilities and to describe how savings and loans were used in support of family unity.

## Background – Projects assessed

- For this poster, we assessed two Family Care projects in Uganda\* that implemented savings groups as part of integrated family and economic strengthening interventions with families at-risk of a child separating.
- Family Resilience (FARE), led by AVSI Foundation with partner Retrak, focused on a) supporting reintegration of street-connected children and children from a government remand home into family care and b) preventing family separation in urban/peri-urban slums, perceived hotspots for child separation.
- Economic Strengthening to Keep and Reintegrate Children in Families (ESFAM), implemented by ChildFund, focused on a) supporting the reintegration of children returned to their families from child care institutions in response to a government deinstitutionalization policy and b) preventing family separation in districts with many orphanages.
- Both projects included case management processes focused on assessing family situation, developing and monitoring household plans, and providing counseling and parenting support through regular home visits [once per month to once per quarter].
- Both projects formed village savings and loan associations (VSLAs) with some of their beneficiaries as a form of household economic strengthening for a period of approximately 10 months.
- Given the scattered nature of reintegrating families, few were involved in VSLAs; the analyses presented here therefore focus on the families at-risk of separation.

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## Methods

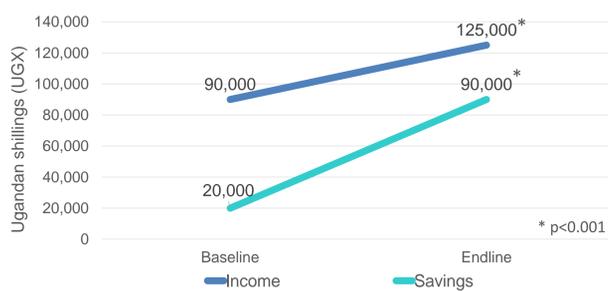
- Projects used a combination of quantitative (economic and child protection) vulnerability assessments and community-based participatory activities to identify households at risk of separation for project inclusion.
- Economic strengthening activities were offered to households based on their economic vulnerability and project reach; 253 of ~960 at-risk households took part in VSLA activities across FARE and ESFAM.
- We collected quantitative economic vulnerability and child well-being data from all VSLA households.
  - Baseline June/July 2016; endline Jan/Feb 2018
- We also conducted longitudinal qualitative interviews with 32 purposively selected families
  - Interviews with the caregiver and an index child at each of four time points, Oct 2016 – Jan 2018

## Findings

### Economic vulnerability indicators

For households participating in a VSLA, median monthly household income increased nearly 39% from baseline to endline, to 125,000 UGX. The findings on savings were similarly strong: the median amount of savings per household increased 350% (Figure 1).

Figure 1. Changes in median monthly income and savings among VSLA households over ~18 months



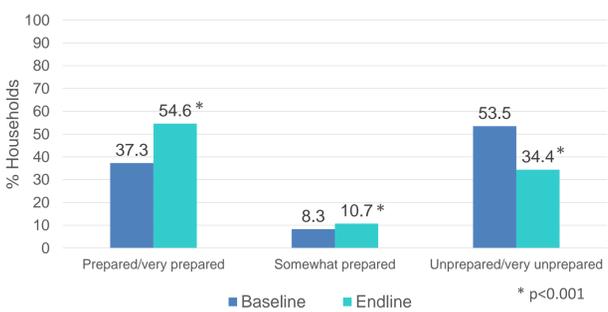
We also looked at whether these differences were reflected in families' ability to pay for basic needs: households reported increases in ability to pay for food/water/shelter, health care, and education in the three months prior to endline, compared to the three months prior to baseline (Table 1).

Table 1. Mean # of months in past 3 able to pay for basic needs

	Baseline (n=252)	Endline (n=253)	Change (* p<0.001)
Food, shelter, water	2.2	2.7	23%*
Health care	2	2.6	30%*
Education	1.9	2.4	26%*

The proportion of households with some level of preparedness to deal with a financial shock (e.g., sickness, death, loss of income) also increased (Figure 2).

Figure 2. Self-reported preparedness to handle financial shocks



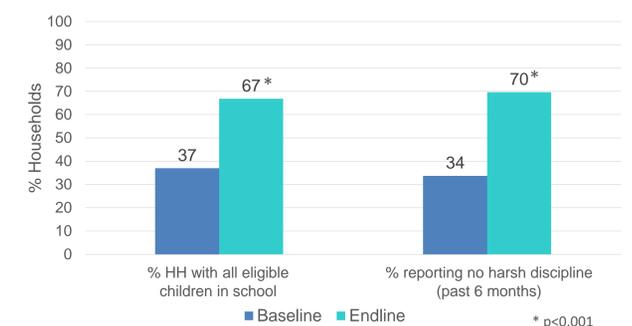
### Family/child unity

Our primary indicator of family-child unity was whether any child was living outside of family care (excluding at boarding school or with relatives). The proportion of households with a child separated from the family fell from 6.7% to 5.1% among households participating in the VSLAs.

### Family/child well-being indicators

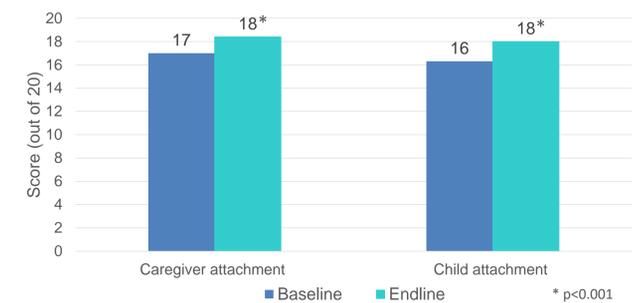
Secondary indicators of family-child well-being were also encouraging: the proportion of households with all school-aged children enrolled in school increased 30%, and the proportion of households reporting no use of harsh discipline approaches rose to 70% (Figure 3).

Figure 3. School enrollment and harsh discipline practices among VSLA families, baseline and endline



We assessed parent-child attachment from both the parent and child perspectives using five items scored on a 4-point scale worth a maximum score of 20 points. Scores for both caregivers and children on caregiver-child attachment began relatively high and improved modestly over time (Figure 4).

Figure 4. Caregiver-child attachment scores from caregiver and child perspectives, baseline and endline



### Qualitative data

VSLA savings or loans were commonly used to pay for school fees, to cover basic household needs, purchase land, build a house, and invest in income generating activities. The latter use helps to explain the connection between VSLA participation and the increase in income and family-child well-being:

*When I save with the VSLA, I am able to borrow some money and invest it in some business like the firewood, sell the firewood, get some profits that you use to pay the loan and also provide for the children's needs.*

– Female caregiver, Wakiso

Additionally, participants often described reduced feelings of marginalization and increased feelings of empowerment and self-efficacy as benefits of group membership.

## Conclusions

- Since poverty is a major driver of family-child separation, reducing families' economic vulnerabilities has potential to reduce a family's risk of separation.
- Our findings showed positive effects of combined VSLA/family strengthening activities on all quantitative measures of economic and child protection vulnerability among families at-risk of separation, suggesting reduced risk of future separation.
- Relatedly, the percentage of households in our sample with a separated child decreased over time.
- Qualitative data suggest additional social benefits to VSLA participation which may support family unity.
- Our study is limited by its lack of a counterfactual; we cannot say whether or how these changes might have occurred in the absence of VSLA participation.
  - Analyses among at-risk households participating in cash transfer and cash transfer + VSLA activities within FARE and ESFAM showed similar trends in both child protection and economic outcomes.