

AMOUNT SPENT ON MEETING BASIC NEEDS

Output indicator

Indicator Phrasing

INDICATOR PHRASING: total financial value (in GBP) of the provided cash / voucher assistance spent on meeting basic needs

What is its purpose?

The indicator measures the total amount (in British pounds) of the provided cash or voucher assistance (CVA) that was used by the beneficiaries for addressing the basic needs that the project aimed to cover (e.g. food, hygiene items, shelter, etc. as relevant).

How to Collect and Analyse the Required Data

To determine the indicator's value, use the following methodology:

1) **List the types of goods** (or services) that count as “basic needs”, such as food, hygiene items and other goods depending on the context and focus of the assistance. Do not quantify them – there is no need. Be very careful about this – if you exclude goods / services that many people at the time of your survey see as absolutely essential, it will (incorrectly) appear as if a large part of your assistance was not used to meet basic needs.

2) **Collect the data** on how much CVA was spent on meeting “basic needs” in line with the criteria above. This can be done through **several different methods**, including:

A. If the used technology (e.g. electronic cards, mobile application, or scannable paper vouchers) allows, gain the required data by **analysing the electronic records** of beneficiaries’ spending. In the case of electronic/scannable vouchers, this can be done by:

- requiring vendors to manually enter items;
- requiring vendors to select them from drop-down / searchable menus of items on a mobile device or terminal; or
- in certain circumstances by scanning item barcodes (either on the item itself or a pre-printed list provided to each vendor)

Ideally, the mobile app or terminal should then require entry of the quantity (using pre-defined units) and price per unit for each item.

B. Conducting a quantitative post-distribution monitoring (PDM) survey among a [representative sample](#) of the CVA recipients (those who represent the target households), asking them how they spent the provided assistance. In the case of multi-purpose cash transfers, you can prepare questions covering the various categories of needs, such as:

- How much of the money you received did you spend on food?
- How much of the money you received did you spend on rent?
- How much of the money you received did you spend on repaying debt?
- etc.

Before you conduct the survey, **consider the following:**

- Pre-test whether it is easier for people to report 1) specific amounts spent on the given needs (e.g. 20 USD spent on food) or 2) approximate proportion of the money that was spent on the given needs (e.g. half of the money was spent on food). If you decide to record the proportion, later you will have to recalculate it into actual amounts (see step 3).
- If the respondents say that they used the cash to repay debts, always enquire what the loan money was used for.
- Encourage the enumerators to verify whether the sum of the expenses for individual categories is higher than the total value of the assistance (for example, the sum is 130 USD but the CVA's value was only 100 USD). In such a case, the enumerator should ask the respondent to clarify her/his answers to gain information that is more precise.
- If many of the respondents have very limited financial literacy, consider using participatory methods to estimate the use of the provided assistance. For example, using 10 beans to represent the money received and asking the respondent to divide them according to how the total amount was spent (e.g. if half of the money was spent on food, then half of the beans should be indicated as 'spent on food'). If you use this method, ensure that the data collectors are able to explain the meaning and the value of the beans (or whatever other material you use) to the respondents. Test this method in your target area before you use it.
- It is important that the PDM is conducted only when it is reasonable to expect that people spent the provided money / vouchers; however, not so late that they can no longer remember what they spent it on (for example, a PDM conducted two months after they spent the money is likely to generate imprecise results).

C. In the case of paper vouchers, you might consider asking (in advance) the participating **vendors to record, on provided forms**, how much money people spent on various categories of goods (in addition to giving you the physical vouchers).

3) Count the total amount spent on meeting basic needs.

4) To calculate the **indicator's value**, divide the amount of CVA the recipients spent on meeting basic needs by the total amount of provided CVA. Multiply the result by 100 to convert it to a percentage.

Disaggregate by

Disaggregate the data by the type of basic needs (e.g. amount of money spent on food, on hygiene items, etc.). Also report on:

- % spent on addressing non-basic needs
- % of the provided CVA that was stolen, lost, etc.
- % of the provided CVA that – at the time of the monitoring – was not spent at all (e.g. due to the beneficiaries not yet having used the full amount of the received CVA)

Important Comments

1) In order to **understand why beneficiaries are spending the funds on items not intended within the project**, you can conduct focus group discussions. There may be good justification for this alternative use of funds – for example, that certain needs were overlooked, or that households have a higher income than first calculated. Such qualitative data can help to inform improvements in the targeting of assistance.

2) If you conduct cash transfers / voucher distributions in several phases, **do not wait to conduct the PDM until all distributions are over**. Starting with the PDM after the distributions in the first phase / location will help you identify potential weaknesses and address them in the remaining distributions.

3) It is very likely that the respondents will know what the “correct” answers should be and might be reluctant to admit that they spent part of the CVA on something that you consider as non-basic needs. If you want the respondents to provide truthful data, the **enumerators need to have the respondents’ trust**. Ensure that before the interview the enumerators carefully explain:

- why your organisation needs the data;
- that the answers will have no impact on whether the household receives any further assistance;
- how the data will (not) be used;
- why it is important that the information the respondent provides is correct

They should also mention that they know that some people **use cash to repay debts** and the respondents can feel free to talk about this openly.