

**THE 2005/06 KENYA INTEGRATED
HOUSEHOLD BUDGET SURVEY
[KIHBS]**

THIRD QUARTERLY REPORT

BASKET FUNDING COMMITTEE

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24th February 2006

BACKGROUND

The 2005/06 KIHBS is designed to provide indicators necessary for measuring, monitoring and analysing living standards and poverty in Kenya, the provision of necessary information for updating the urban CPI and establishing the rural one, compiling national accounts statistics and updating employment statistics. The survey is also aimed at providing data on socio-economic aspects of the Kenyan population including education, health, energy, housing, water and sanitation. The motivating factors for the survey include the following:

1. The Kenya Government's commitment to the principle of evidence-based policy making.
2. The urgent need for current statistics on poverty, consumption patterns, and living standards in Kenya.
3. The Government's Economic Recovery Strategy (ERS) for Wealth and Employment Creation which provides a framework for national development and poverty reduction and lays out the actions needed to set policy and monitor progress. This entails provision of new and appropriate data to monitor the progress of the implementation of national development goals.
4. The need for improved statistics to provide information on the design, implementation and eventual evaluation of various development programs for economic recovery and national development.
5. Rapidly increasing demand for statistical data to support evaluation

1. FIELD WORK PROGRESS

The KIHBS field work started on 16th May 2005 and a total of 1059 clusters which translates to about 10,000 households out of the expected 13430 households have been surveyed. There are currently 72 clusters being surveyed in the current cycle which is the fourteenth cycle. There are three more cycles left in the survey.

The additional Vehicle maintenance budget of Shs 8 million has been exhausted. Major repairs have had to be undertaken on vehicles that were available. The projected repair and maintenance cost for the next five months is 5 million.

PROCUREMENT

Key procurement items have been tyres and repairs for the old vehicles. A number are still pending and among these are a heavy duty shredder and a water dispenser.

RE-LISTING

Due to various reasons, it has become necessary to re-list more clusters in some districts.

DISTRICT	CLUSTERS	REASON
Marakwet	1	Forest eviction
Nandi	1	Council eviction
Transmara	1	Forest eviction
Teso	1	Vacant
Taita Taveta	1	Court Order
Samburu	2	Not accessible
Nairobi	4	Never re-listed

The process will be carried out in February/March 2006.

DATA

Data for up to cycle 12 has been delivered and is being cleaned while data re-entry for checking purposes is still going on. The basic analytical assessments of the data are also proceeding. The general procedure in handling the data is as follows:

	Activity	Where?	Remarks
a)	Consistency checks	Field	Since the data entry is taking place in the field, the program used has inbuilt checks for consistency. Thus the data entry operator runs a validation check that produces a report indicating where possible errors exist. These are then corrected in the field.
b)	Completeness checks	CBS	Where there is no data for some sections, a check is carried out with the data entry operators in the field and the questionnaires at CBS to rectify the problem. When the data is certified to be complete, it is combined so that each module has all the data from across the country.
c)	Cleaning irregular data	CBS	This requires going back to the questionnaires and ensuring that the anomalies are corrected. A computer room specifically for several people to do this will be required.
d)	Basic analysis	CBS	Basic analysis is aimed at producing various tables in single and multi-way form. Comparative analysis will be carried out as well where they are essential for enhancing recommendations.
e)	Labour statistics	CBS	Updating of labor statistics will entail assessment of previous and current techniques, especially on the issue of weighting. This will lead to the basic report in AUG/SEPT 2006.
f)	Poverty analysis, CPI development and compiling of national accounts	CBS	<ul style="list-style-type: none"> i) Analyzing the data using the current techniques for comparing with previous results. ii) Combine the previous WMS data (from 1982 onwards) and assess techniques applied in each. iii) Obtain poverty determinants based on the new data sets and compare them with the previous ones iv) Obtain the poverty line based on an agreed set of techniques. v) Development of CPI and compiling of

			national accounts will run concurrently with the poverty analysis and will lead to the poverty report and the CPI and National accounts report in Jan/Feb 2007.
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In the poverty analysis, it is noted that various approaches have been used and thus it will require sifting through them and developing a consensus on the most appropriate one.

2.0 CHALLENGES

Challenges, as expected, have continued to occur in the implementation of the survey. In particular, we have the following:

1. Due to the rough terrains, tyres for the new NISSAN PATROLS and MITSUBISHI PAJERO are unable to sustain the terrain. We have had to purchase new tryes for those areas in Arid Areas. However, so far only Firestone tyres can make it in the rough terrains.
2. The Nissan Patrols are too delicate for the Arid and Semi Arid Areas because they are too sensitive to the fuel consumed. One of the vehicles lost a fuel pump because of the adulterated fuels in these areas. One fuel pump costs Kshs 540,000. In this regard the vehicles shall be withdrawn from these zones.
3. Surrender of Advances has been challenging but is now under control with a few team leaders requiting close supervision. TO ensure that all monies are surrendered, we shall retain May Salary and the Bonus until these have been cleared.
4. Procurement of Motor Vehicle Repair continues to be a cumbersome procedure. There is always a discrepancy between the Government Inspectors and the dealers. This has caused undue delays in repairing th e vehicles.
5. Storage of Questionnaires: The questionnaires need a large space to ensure that they are well arranged for reference purposes. Two

rooms have been assigned to this purpose, but they are yet to be equipped to hold the questionnaires.

6. Personnel problems have and will continue to occur and these are being dealt with as they arise.
7. The security situation in Baringo has improved and clusters in risky areas are currently being surveyed.
8. The Kisii and West Pokot vehicles have been involved in accidents and each has killed a person. We thus have two police cases.
9. An accident occurred near Isiolo in December 2005 and we lost a coordinator (Mr S.K. Ndungu), a cartographer and the DSO for Marsabit).

3. WAY FORWARD

The data cleaning and analysis will continue and be enhanced as we enter the final phase of the fieldwork. Analysis of the complete data set and release of the basic report is expected by September 2006. Specific analysis on poverty and CPI is expected to start in June 2006.

	Activity	Start	Ending
1	Field work		May 10 th 2006
2	Data cleaning		May 31 st 2006
3	Data analysis	June 2006	January 2007
4	Basic report	June 2006	Sept. 2006
5	Poverty, CPI and National accounts Analysis and report	June 2006	31 st January 2007