

Terms of reference

Resource Organisation
for
Social Mobilisation and Institutional
Development

1 Description of the Organisation

The Meghalaya Urban Development Agency is the State Nodal Agency under the Urban Affairs Department of the State of Meghalaya for implementation of the centrally sponsored Poverty Alleviation Program of National Urban Livelihood Mission sponsored by the Ministry of Housing and Urban Poverty Alleviation, Government of India and the State Government

The main focus of the Mission is to develop and strengthen the formation of SHGs and their federations, and to promote financial inclusion of SHG members under NULM, training and capacity building and establishing links to ULBs

1. BUILDING COMMUNITY INSTITUTIONS - SHGs AND THEIR FEDERATIONS
2. UNIVERSAL FINANCIAL INCLUSION
3. REVOLVING FUND SUPPORT
4. TRAINING FOR COMMUNITY INSTITUTIONS, SHGs AND THEIR FEDERATIONS

Mobilising the urban poor

CLF (CDS under SJSRY) Represent SHGs and give them adequate voice across various levels e.g. ULB, state govts, banks, etc.

ALF (NHC under SJSRY) Association of SHGs for benefit of member SHGs, bank linkages and enhanced bargaining strength of SHGs - RF Support :Rs 50000 per ALF

SHG (NHG under SJSRY) Community Mobilisation for thrift & credit and empowerment
RF Support: Rs 10000 per SHG

SHG

Membership: Under NULM, SHGs of 10-20 urban poor will be formed. SHGs need not be registered

-atleast 1 member of SHG shall be a woman.

-To qualify for RF support under NULM, at least 70% SHG members should be urban poor

•**Rules & regulations:** Each SHG will be encouraged to develop their own rules and regulations covering norms for membership, group savings, conduct of meetings, management of the group, maintenance of records, conduct of office bearers.

•Grading of SHGs:

-Regular Savings

-Regular Meetings

-Regular accounts - book-keeping and accounting

-Regular repayments

-Adherence to rules and regulations of the SHG

ALF

Membership: ALFs may be formed with 10-20 SHGs covering an area of a ward or slum or such other geographical unit

-A minimum of 2 members (nominated representatives) per SHG will participate in the ALF

-ALFs should be registered under the relevant law of the state

•Responsibilities:

-Facilitate bank linkages for member SHGs

-Providing hand holding support in the development of loan proposals by member SHGs

-Support the formation of new SHGs

-Evaluate the performance / functioning of member SHGs

-Capacity building of new and existing member SHGs

-Facilitate member SHGs' access to benefits under NULM and access to social assistance benefits under various government programmes

-Resolve issues raised by member SHGs in accessing credit from banks

-Raise issues of importance at the City-Level Federations

-Report to the ULB

CLF

Membership: ALFs will come together to form a CLF in a city

-Each city will have at least one CLF. Bigger cities may have more than one CLF based on size and population

-CLF should be registered under the relevant law of the state

-All ALFs in a city should be represented at the CLF

•Responsibilities:

-To represent the needs of the urban poor at various levels

-Advocacy with ULB and State Government for pro-poor planning, master plans, vendor planning

-Facilitate bank linkage of member ALFs'and member SHGs.

-New group formation and support

-To identify specific training and capacity building needs of member ALFs

-Work closely with the ULB to facilitate identification of beneficiaries

-Facilitate marketing of products of SHGs

The Meghalaya Urban Development Agency will hire experts under CMMU who will work for formation of SHGs and utilise the services of other community-level functionaries under various schemes of the Central and State Governments

for catalysing the formation of SHGs and their federations, and to promote financial inclusion of SHG members under National Urban Livelihood Mission (NULM), training and capacity building and establishing links to ULBs.

For catalysing all above, the Meghalaya Urban Development Agency proposes to engage Resource Organisations (ROs) under NULM at the city level.

The selected ROs are expected to be autonomous registered agencies set up by the State or Central Govt/well established long standing federations of SHGs/private institutions/NGOs having significant experience in managing large scale community driven programmes and undertaking successful implementation strategies in Social Mobilization & Institutional Development in urban or rural areas. In the case of NGOs, weightage should be given to registration status, turnover, number of years of experience, procurement, financial management capacity and number of dedicated staff.

ROs will be selected through an open competitive bidding process based on strict criteria for selection to ensure that quality of services are not compromised

•ROs should

- Be a registered body
- Maintain its accounting records and have properly audited annual statements of income and expenditure
- Demonstrate a strong and proven track record of working in the field
- Have successfully promoted the formation and bank linkage of at least 100 SHGs
- Have a base in the city in which it proposes to work with a clear understanding of the socio-economic, cultural and political situation of the area
- Demonstrate rapport with the community in which it proposes to work
- Have an adequate number of field staff
- Secular in nature and not be affiliated to any political organisation
- Be willing to sign an MOU with SULMs or ULBs committing itself to:
 - Pursuing the objectives and components of NULM
 - Making changes within its strategy and systems if there are obstacles to achieving these objectives
 - Attending meetings and contributing to the feedback systems and procedures required by NULM, including regular reporting.

Functions of R.Os

- Identifying affinity groups
- Relationships of trust and mutual support with membership through participatory approach and self-selection
- Capacity building of all members of SHGs covering:
 - Basic concepts like meetings, savings, lending and repayment, member responsibilities
 - Book-keeping, accounting, fund management, bank & credit linkages
 - Communication, decision making, conflict resolution, self-assessment
- Capacity building of all members of ALFs & CLFs covering:
 - Federation concept including meetings, savings, member responsibilities
 - Book-keeping, accounting, fund management, SHG bank linkage
 - Communication, decision-making, conflict resolution, self-assessment
- Handholding support for at least 15 months:
- Ensure that SHG meetings are conducted regularly
- Assist the CO in the evaluation of the performance of SHGs
- Ensure adequate interaction of SHGs with bankers, government officials and members of other SHGs for cross learning
- Open SHG bank accounts & facilitate credit linkages

- Withdrawal of support between 15-24 months:
 - Increased monitoring of SHGs to ensure that they are self-sustaining
 - Linking SHGs to ALFs and CLFs
 - Facilitate, opening of basic service accounts
 - Credit counseling of members
- All SHGs, ALFs and CLFs access government benefits under NULM and other social programmes of the central, state and local governments

Expected outcomes of ROs

- All members will have undergone rigorous capacity building / training sessions
- All SHGs to have a bank account for deposit of savings and linked to banks for credit
- All new SHGs formed access revolving fund support under NULM
- All SHGs are federated at the area-level (ALF) and city-level (CLF):
- At least 1 CLF is formed and functional per city
- All ALFs & CLFs are registered
- All members of SHGs / ALFs and CLFs will have undergone rigorous capacity building / training sessions
- All new ALFs formed access revolving fund support under NULM

CRPS

- ROs may engage CRPs on their team for formation of SHGs under NULM
- Sub-contracting of CRPs will not be allowed
- Are members of mature SHGs
- Have good knowledge and experience of SHG concepts, group management norms, SHG meeting process, book-keeping, agenda-fixation etc.
- Have the ability and skills to motivate the poor
- Will conduct training by drawing upon lessons from personal experiences and best practices
- Will act as guides and role models for other poor individuals

Funding for R.Os

- A maximum of Rs. 10,000/- per SHG
- ROs will cover a minimum of 50 SHGs
- ULBs will define the "area" within which ROs will function
- Payment to ROs will be made on the basis of milestones like:
 - SHGs/ALFs/CLFs formation
 - Training of members
 - Bank linkage
 - Formation of federation at the area and city levels
 - Access to benefits under NULM, including Revolving Fund
- RO will handhold the SHG for a period of two years