HARYANA STATE RURAL LIVELIHOODS MISSION: Improving the functioning of Cluster Level Federations

In November 2018, Letz Dream Foundation partnered with the Haryana State Rural Livelihoods Mission to improve the governance and sustainability of 31 Cluster Level Federations (CLFs) across 7 districts in the state. These CLFs are the primary community institutions through which women from self-help groups (SHGs) are able to mobilise resources and organise themselves to increase income and improve their quality of life.

The challenge
In Haryana, there were multiple complications limiting the effective functioning of CLFs. These challenges were:

- **Institutional**: CLFs, village organizations (VOs) were registered on paper but were largely non-operational, no grievance redressal mechanism existed, general body meetings did not take place routinely, coordination challenges persisted across levels of organization
- **Financial**: Essential books of accounts and records were not maintained; Revolving funds, community investment funds, and start-up funds made available to SHGs/VOs remained untapped
- **Managerial**: CLF/VO office bearers were not suitably trained or equipped to perform their roles and manage the requirements of members of SHGs
- **Monitoring**: CLFs were unable to monitor or grade their financial records, including repayment of loans and other key metrics to show the financial health of the CLF

The intervention
Building sustainable and efficient community institutions requires action on multiple fronts. Letz Dream Foundation identified five priority areas to achieve transformative change:

1. **Streamlining the institutional process**: Mobilizing SHGs/VOs, setting up CLF offices, maintenance of books of record, organizing regular meetings, forming sub-committees, ensuring rotation of leaders, establishing grievance redressal mechanism, setting up monetary monitoring mechanisms
2. **Financial inclusion**: Opening up bank accounts, increasing accessibility to institutional start-up funds, revolving funds, community investment funds and funds through rotation
3. **Training and capacity building**: Training of SHG members, livelihood groups, office bearers, community cadres and CLF staff
4. **Sustainable livelihood prototypes**: Initiating sustainable and replicable livelihood models
5. **Convergence**: Building convergence with state/central government welfare schemes under allied departments such as health, education, women and child development.
6. **Monitoring mechanism**: Introducing best practices for ‘Demand, Collection, and Balance’, VO/SHG grading, and internal audits

The implementation
Haryana Intervention in 7 districts
Letz Dream Foundation has field level associates posted at 31 CLFs representing 80,000+ households, and a population of 4,00,000+ individuals.
These 31 field associates were supported by 4 coordinators and 1 state level programme manager. A monitoring and evaluation support unit with technical and advisory expertise was also set up at Letz Dream Foundation headquarters in Gurugram, Haryana.

## The impact

### Institutional Strengthening & Capacity Building:

- **220%** increase in corpus funds of CLFs (up from ₹8.1 crore to ₹25.9 crore)
- **26x** increase in rotation funds (from ₹85 lakh to ₹20.1 crore)
- **100%** CLF offices established and start-up funds utilized
- **100%** increase in project funds made available to CLFs (from ₹7.4 crore to ₹14.9 crore)
- **100%** sub-committees formed in all 31 CLFs and 585 VOs
- **94%** VOs now have access to funds through rotation (up from 13%)
- **84%** attendance of SHG members in general body meetings
- **76.4%** repayment of loans (up from 46%)

### Financial Sustainability & Income Generation:

- Annual agricultural income increased by
  - **74%** in Rabi season (from ₹29,000 to ₹51,000)
  - **57%** in Kharif season (from ₹38,000 to ₹60,000)
- Cost of cultivation decreased by an average 22% during Rabi season and 17% during Kharif season

## Livelihood Intervention Case Study: Goat Rearing in Nuh, Haryana

As part of the program with the Haryana State Rural Livelihoods Mission, Letz Dream Foundation also initiated livelihood interventions with 6300+ households across 16 CLFs in 5 districts of Haryana.

One such livelihood model designed to generate supplemental income for participating households was focused around rearing of goats and small ruminants.

The intervention focused on increasing herd size, improving goat rearing practices, reducing mortality, and providing linkages to insurance and markets.

In just 12 months of implementation, this program has generated significant impact:

- **₹8,000** annual incremental income generated per household
- **40%** increase in average herd size
- **0.2%** mortality rate, reduced from 21.4%
- **20%** households have successfully created market linkages through goat fairs.