

FAMILY LIVELIHOOD RESOURCE CENTRE

Terms of Engagement

1. Background

ARAVALI is engaged in building organizational and programme capacities of NGOs in the State of Rajasthan. The package of support provided by ARAVALI includes the more generic human resource, organizational, technical, and institutional development inputs as also sector-specific support for implementing Natural Resource Management, Microfinance, and Livelihood development initiatives.

It is now well known that the poor households derive their livelihoods from a number of different activities, spanning different sectors and sub-sectors. At the same time, the portfolio of livelihood activities performed by a household is unique, and there is a need to bring about an overall increase in the household income, rather than altering the proportions contributed by different activities. Supporting and promoting livelihoods of the poorest and the most vulnerable section of the society, thus, requires an integrated approach that also concentrates on the household as a unit. This realisation has led to the conceptualisation of Family Livelihood Resource Centre (FLRC) approach for the customised diagnosis, design, and delivery of livelihood support inputs required by each family in an area, to come out of the poverty trap on a permanent basis. These inputs can be in the form of information, technical, institutional, or business development support provided to increase the household's access to livelihood assets/resources or to opportunities for income generation, or for vulnerability and risk reduction.

2. Objectives

The main objective of ARAVALI in establishing FLRCs is *to enable aggregation of support inputs pertaining to various sectors and sub-sectors, and their delivery as part of a more focused livelihood intervention with the identified, poorest of the poor families in an area.*

The objective of the FLRC will be *to develop and deliver a customised package of livelihood resources and support services, for sustainable income generation and enterprise promotion, of the poorest and the most vulnerable households in its area.*

3. Modalities of FLRC Implementation

Each FLRC will cater to the livelihood support needs of around 200-500 households, in an operationally suitable cluster. The FLRC will invariably be hosted as a specialized cell in one of ARAVALI's carefully chosen partner organisations (hereafter called FLRC Host Organisations) and with ARAVALI Seeding Support Fellow, and will be developed as a sustainable model for the delivery of livelihood support services.

Each FLRC will be staffed by an FLRC Co-ordinator and 2-3 Livelihood Support Animators (LSAs), with the latter taking on sub-sectoral support roles. The LSAs in a Centre, who are concerned with a particular Sub-Sector will constitute a Livelihood Support Unit (LSU) of that Sub-Sector. The LSUs will, thus, be the functional sub-sectoral units of the FLRC. One FLRC Host Organisation may have more than three LSUs under its FLRC umbrella, depending upon its capacity, outreach, and community characteristics.

3.1 Identification of FLRC Host Organisations (FHOs): Over the calendar years 2007 and 2008, ARAVALI will identify and support 10 FHOs, base on the following criteria. The FHO must:

- ✚ Be an implementing agency;
- ✚ Have been an intensive partner of ARAVALI for a minimum of 2 years in the past;
- ✚ Demonstrate local commitment and accountability;
- ✚ Have a clear mandate of working on livelihoods, as demonstrated through the presence of a designated livelihood programme (with livelihood based initiatives accounting for a minimum of 25% of organisational expenditure done over the last 3 years);
- ✚ Have on its organisational rolls, a minimum of 3 staff members engaged in livelihood programme;
- ✚ Express an interest in hosting FLRC(s) and implementing the aforementioned activities;
- ✚ Possess technical and institutional capacities to take up the FLRC initiative in a long-term manner;
- ✚ Demonstrate financial stability;
- ✚ Possess the experience of working with social welfare development schemes of the Government;
- ✚ Have adequate infrastructure in the form of own office premises and, preferably, a field office;
- ✚ Have a good ongoing relationship with the Government Department, banks, and donors.
- ✚ Apart from the above category of organisations, FLRC can be initiated by ARAVALI Seeding Support Fellows working with vulnerable communities on livelihoods and entitlements issues.

3.2 Setting Partnership Conditions and Role Definition: The process of FHO identification will culminate in the signing of an MoU¹ between ARAVALI and the FHO. The MoU will clearly state the roles to be performed by ARAVALI and the partner organisation, i.e., the FHO, for the timely achievement of FLRC goals and objectives. The broad roles that ARAVALI and FHOs will take on under the FLRC initiatives are as under:

Role of ARAVALI

ARAVALI will be responsible for:

- ✚ Designing the operating model of FLRCs;
- ✚ Providing partial financial assistance for the FLRC;

¹ For MoU Format, please refer Annexure I

- ✚ Identification / selection of the FLRC Co-ordinator (in association with FHO);
- ✚ Conducting baseline research for identifying potential livelihood sub-sectors (in association with the FHO);
- ✚ Orientation and training of FLRC Co-ordinators and LSAs;
- ✚ Preparing the Business Plan and the periodic Work Plans for each FLRC;
- ✚ Providing timely and high quality handholding support to the FHO;
- ✚ Process documentation and monitoring of the initiative; and
- ✚ Incorporating gender concerns in programme implementation.

Role of the FHO

The partner organisation under the FLRC initiative, i.e., the FHO will be responsible for:

- ✚ Identification of the FLRC Co-ordinator with ARAVALI;
- ✚ Designating infrastructure for the FLRC (office space, computers and peripherals, means of conveyance, etc.)
- ✚ Conducting baseline research for identifying potential livelihood sub-sectors (in association with ARAVALI);
- ✚ Identification / selection of LSAs;
- ✚ Developing periodic Work Plans with ARAVALI;
- ✚ Implementing, reporting, and monitoring FLRC activities as per the Work Plan;
- ✚ Ensure capacity building of the FLRC Coordinator and LSAs;
- ✚ Conduct fortnightly reviews and monitoring meeting of FLRC personnel;
- ✚ Suggesting changes in Work Plans (activities, clients, and focus) to ARAVALI;
- ✚ Generating additional resources for the FLRC; and
- ✚ Regularly share the learning of FLRC within the team and also with ARAVALI.

- 3.3 Identification and Selection of FLRC Staff:** The FHOs identified, one Coordinator / FLRC would be jointly selected by ARAVALI and the FHO, based on the criteria specified below. The selected individual will be placed in the FHO, and would work against a specific job description and Terms of Reference (ToR) that will be focused on livelihood enhancement activities for the poor. His/her performance will be tracked against a set of deliverables clearly mentioned in the ToR.

Criteria for Selecting FLRC Co-ordinator

The FLRC Co-ordinator will:

- ✚ Be a Graduate (Post Graduates will be preferred);
- ✚ Possess a minimum of 3 years' of experience in working with SHGs or in a livelihood-related programme;
- ✚ Demonstrate commitment and willingness to work for the poor in rural areas;
- ✚ Possess good communication skills (oral and written) in Hindi and preferably comfortable communicating in basic English;
- ✚ Have a fair understanding of accounting procedures and record keeping;
- ✚ Have knowledge about computers, and be comfortable working with MS office.

Based on the FHO's prior understanding of the livelihoods in the proposed FLRC's area, it will select 2-3 LSAs/FLRC, based on the following criteria.

Criteria for Selecting LSA

The LSA will:

- ✚ Be at least 10th pass;
- ✚ Preferably be a local youth having fair knowledge and understanding of the local livelihood context;
- ✚ Demonstrate entrepreneurship qualities (to be identified through standard tests);
- ✚ Preferably possess prior experience of managing small shop/petty business;
- ✚ Preferably have work experience with any development organisation/project.

This would be a crucial input and a substantial support would go into developing demonstrable models for livelihoods strengthening around the LSA.

3.4 FLRC Functioning: In order to achieve the objectives mentioned earlier each FLRC will perform the following functions:

- ✚ Identification of the poorest and the most vulnerable families in its operating area;
- ✚ Diagnosis of the Livelihood Portfolio of each household, including its Vulnerability Assessment;
- ✚ Preparation of family **livelihoods-entitlement-access-gap cards** (LEAG-c) which could be digitized for tracking changes over the engagement period.
- ✚ Identification and selection of families for specific sub-sectoral enterprise interventions (to be identified through diligent research);
- ✚ Identification of family-specific gaps (*institutional, skill, finance, linkage, etc.*) vis-à-vis the standard Sub-Sector model at the household level;
- ✚ Design and delivery of the designated services (directly or through facilitation²);
- ✚ Management of family databases and livelihood information services;
- ✚ Mainstreaming gender in livelihood support interventions; and
- ✚ Documentation and monitoring of the impact of its interventions.

The first year of operations would be for developing a baseline status of families through a intensive engagement which results in a mutually acceptable agreement between the family and the FLRC to guide the support flow.

3.5 Processes and Outcomes: Each FLRC would have an outreach of (and will, thus, service) 300- 500 families. The first year of engagement envisages the following processes and outcomes at the family level:

- Identification of the poorest and the most vulnerable families in its operating area;
- Undertake mapping and analysis of family's current livelihood portfolio
- Undertake mapping and analysis of psycho-social status of the family
- Identify the member's entitlements and actual access (including water) in relation to existing state programs and norms (Family **Livelihoods-Entitlements-Access- Gap cards-LEAG-c**)
- Develop the family's vision in terms of
 - Increasing income levels (growth in incomes)
 - Reducing fluctuations in incomes (security of incomes)
 - Realizing its entitlements as citizens

² Linkages with existing Government schemes and programmes, like NREGP will be actively established.

- Identify the family's objectives to operationalise the vision through
 - Identification of sub-sectors for intervention

The year two of engagement envisages the following processes and outcomes at the family level:

- Preparation of interventions/plans with detailed activity and support infrastructure
- Development of investment plans for the identified interventions with likely sources of investment
- Development of process milestones which the families can monitor
- Development of **Family Livelihood Plan Card** with a 10 year operational frame

3.6 Sustainability of the Initiative: Initially, ARAVALI would provide partial financial support to the host organisations, i.e., the FHOs, for a period of 2-3 years. After this, it is expected that the FLRC would start mobilising resources from other sources and cost sharing with the community. Further, the FHO will be assisted by ARAVALI in seeking additional grants for developing the so far un-catered / unaddressed - but important - clients / sub-sectors / services in its area, if the baseline and monitoring reports hint at such a requirement.
