



CHRISTIAN FUNDERS: A COLLABORATIVE APPROACH

“We believe by working together we can have a much greater impact.” - Christian Funders Forum

This proposal explores the concept of ‘giving groups’ as an approach to help Christian funders work more collaboratively and, through mutual leverage, achieve even greater impacts and outcomes working together rather than alone.

WHAT ARE GIVING GROUPS?

Five Talents has been forming Savings Groups for over 20 years, enabling our members to save together and make loans to one another, creating a strong network that supports the growth of their small businesses and the overall wellbeing of the community.

This approach has been extremely successful in achieving long-lasting sustainable outcomes for our members, so in 2016 we took an opportunity to develop this idea further and formed our first Giving Group. The concept initially came from two different families expressing an interest in supporting the same project; both wanted to see the programme through from start to completion and follow the community’s progress, tracking the impacts at first hand and sharing their experience.

Since then we have developed many others, each one supporting our expansion into a new diocese. Some Giving Group members know one another, others don’t, but they all have one thing in common: a shared objective to work together to help each programme become sustainable and self-supporting in the long-term.

WHY HAVE THEM?

Our programmes are owned and managed by the local diocese, hence they are grounded in the community they serve. Our aim is for them to become self-sustainable after a period of time. This can vary from three to five years depending on the model we deploy which is determined by local need. Support from a Giving Group means we have assurance that we can complete the programme, greatly reducing the risk of us running out of funds part-way through. In short, it allows us to work with our church partners to plan for the future.

WHAT ARE THE BENEFITS?

Giving group members have a unique opportunity to follow a programme from start to finish. They form an essential part of the programme support team, catching up on a regular basis and sharing their experiences. They get to know our partners and hear at first hand the impact their support is having. This leads to a better knowledge of our progress, enables people to share best practice and often leads to support for other programmes. Some have even visited the programme for its launch ceremony and got to know the trainers personally.

We are reminded that there is also a wonderful Biblical analogy and imperative for working collaboratively to achieve a missional outcome. Nehemiah 3 tells how families came together to rebuild the walls of Jerusalem, each taking a portion commensurate with their resources. Giving Groups rooted in Christian values, allow people to contribute in their own way, bringing valuable skills and resources together to fully fund a programme, ensuring we can deliver our objectives.

HOW CAN THIS BENEFIT CHRISTIAN TRUSTS & FOUNDATIONS?

Many Christian Trusts and Foundations share common aims and objectives that are met through a Five Talents programme. By identifying and aligning these objectives there is an opportunity to streamline decision making, mitigate the risks related to lack of funding and develop a common understanding and approach to monitoring and evaluation. Thus harnessing the potential for the ‘sum of the parts to be greater than the whole!’

And the outcomes? Better coordinated and more holistic decision making, a greater focus on delivering desired impacts, and the opportunity to use learning from feedback to improve the way programmes are funded in future. It also cuts down on duplicated effort and builds a strong Christian fellowship amongst giving group members through regular communications. But above all, the greatest outcome is thousands of lives changed sustainably.

TOGETHER IN FELLOWSHIP

Five Talents has put together two proposals we can use as a PILOT to test this new collaborative approach. We are inviting Christian Trusts and Foundations with aims and objectives that align with these programmes to consider joining a giving group. We have been grateful for the opportunity to collaborate with The Bishop Radford Trust in developing these proposals and for their commitment to helping us develop a Trust Giving Group in future.

“The Bishop Radford Trust has been looking for ways new ways in which we can work in partnership with other funders. We are delighted to have the opportunity to be part of a Five Talents Trust Giving Group pilot programme and we look forward to seeing the true value of working together. Sharing the funding commitment is one obvious benefit of working in a group. Building relationships, knowledge and in turn increasing the effectiveness of the project is what we believe can also be achieved.”
- Suzie O’Brien, The Bishop Radford Trust

HOW WILL IT WORK

The table below outlines our proposals to support a successful Trust Giving Group:

TRUST ACTIONS	FIVE TALENTS' SUPPORT
1. Introduce the concept to your Trustees	Please share this proposal in the first instance
2. Find out more about the benefits	A (Zoom) meeting to answer questions
3. Commitment to take part in a pilot	Provide information to ensure due diligence
4. Agree the principles of collaboration	Issue Giving Groups Terms of Reference
5. Attend Giving Group kick-off (Zoom) meeting	Meet the team to discuss the approach
6. Sign-off programme proposal	Programme objectives, activities, impacts & budget
7. Ongoing communications	Regular feedback as agreed by the Group
8. Invitation to meet the programme team	Host a physical or virtual visit
9. Feedback and evaluation	Questionnaire and follow-up with Group members

GIVING GROUP IMPACT

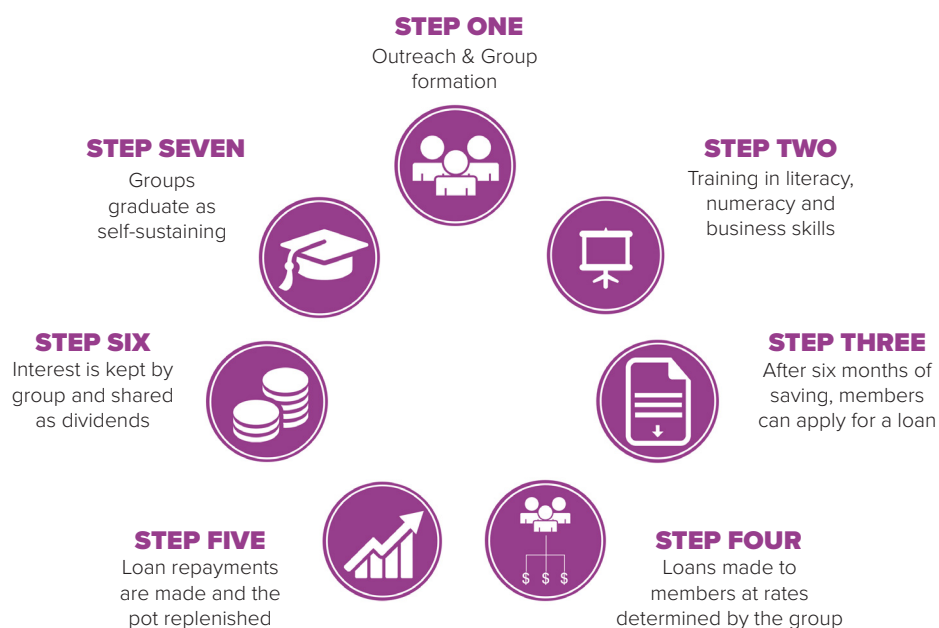
By going through the steps outlined above our aim is to streamline both the application and reporting processes for everyone involved. We plan to develop consistent and standardised best practice approaches, and learn from each other in the process. This learning will be captured and used to help evaluate our success at the end of the programme i.e. the benefits of this collaboration.

ABOUT US

Five Talents is a small, but impactful, UK-registered Christian charity with the mission to transform lives through economic empowerment. We know the route out of poverty is to build resilience. We work through local Church partners to reach the most remote, rural and marginalised communities across Eastern Africa providing a safe place to save, and the opportunity to build their skills to grow a small and profitable business sustainably.

OUR MODEL

Our members are trained to self-capitalise within *Savings Groups* and from their own cumulative savings, make loans to one-another. This approach has proven more **cost-effective and sustainable** than credit-led microfinance because after 2-3 years of support, Groups can operate alone. Groups are also **community-led**, write their own rules and decide interest rates for loans. Profit from interest payments is returned to the savings pot and shared as dividends to members every year. Our seven step approach is outlined below:



OUR IMPACT

In 2017, Five Talents commissioned an independent evaluation of our Kenya programmes. Looking back over 10 years, data has shown Savings Groups are a key driver of impact. As people save, their confidence grows and their wealth increases. Children are fed, clothed and schooled. Businesses are created, homes are repaired and relationships restored. For example:

- 81% of members reported an increase in household expenditure.
- After 10 years, 97% of members were able to afford three meals a day, 85% were able to pay their school fees, and 78% could afford access to healthcare.
- 71% of Savings Group members are now better able to cope with emergencies (e.g. famine, illness, drought).
- 84% of women reported a positive change in their domestic relationships and status.

FUNDING PRIORITIES

We know the model works and has a significant impact on our target communities. Our vision is to replicate at scale to reach even more people - we know the need is immense, especially now as the impacts of coronavirus restrictions are being felt across the region.

PROJECT 1 - LAUNCH A NEW PROGRAMME IN MOMBASA, KENYA

We are planning a new project in Mombasa Kenya where we have identified three dioceses in desperate need of help, Malindi, Taita Taveta and Mombasa. The budget outlined below shows how a Trust Giving Group would support us to start a project in one of these dioceses and see it through to sustainability:

	2021	2022	2023
Local trainer salaries	£18,000	£18,000	£18,000
Trust Group training costs (e.g., fuel and training materials)	£12,000	£12,000	£12,000
Governance, monitoring & evaluation	£5,000	£5,000	£5,000
Revenue costs (operations - e.g.rent)	£6,000	£6,000	£6,000
Capital costs (e.g., motorbikes to reach remote rural areas and laptops)	£3,500	£3,500	£3,500
Local staff capacity building	£3,500	£3,500	£3,500
TOTAL	£48,000	£48,000	£48,000
Trust 1	£9,600	£9,600	£9,600
Trust 2	£9,600	£9,600	£9,600
Trust 3	£9,600	£9,600	£9,600
Trust 4	£9,600	£9,600	£9,600
Trust 5	£9,600	£9,600	£9,600
BALANCE	£0	£0	£0

Five Talents is developing a three year plan starting from 2021 that will create 48 self-sustaining Savings Groups with around 1000 members. They will have access to savings, loans and essential skills training to enable them to start and grow their own businesses. [Note: Some of the initial assessments have been postponed due to Coronavirus, so this budget is provisional - but based on our experience of similar programmes elsewhere in Kenya].

PROJECT 2 - COMPLETE A PROGRAMME TO SUSTAINABILITY - ARU, DRC

We are also looking to complete an existing project in the Diocese of Aru in the Democratic Republic of Congo (DRC). The programme works across the six Archdeaconries of Aru and Azoo, north-east DRC. The budget outlined below shows how a Trust Giving Group would support us to complete the project:

	2021	2022
Group Formation and training	£14,023	£10,006
Local staff salaries (advisor, 3 leaders and an accountant)	£26,248	£27,561
Training of trainers	£12,770	£13,409
Administration, internet, phone, utilities, security, bank charges	£5,179	£5,438
Equipment (replacement)	£1,419	£1,490
Monitoring, evaluation & governance	£14,330	£15,046
Contingency	£3,698	£3,648
TOTAL	£73,969	£72,951
Bishop Radford Trust	£10,000	£10,000
Trust 2	£10,000	£10,000
Trust 3	£10,000	£10,000
Trust 4	£10,000	£10,000
Trust 5	£10,000	£10,000
Five Talents Reserves	£23,969	£22,951
BALANCE	£0	£0

Our plan is to support 197 Literacy and Savings Groups to sustainability by the end of 2022. In total over 4950 members will have accessed literacy, numeracy and business skills training and received the support they need to save and develop their own small businesses.



Agnes, Savings Group Member
in Aru, DRC