

# Community Savings Pools

An introduction to common-sense  
cooperative saving and lending

By Carmen Lescher

Savings Pool Project Coordinator

Co-Operate WNC ~ A Regional Mutual Aid Network

[www.co-operatewnc.org](http://www.co-operatewnc.org)

# How we got here

**Co-Operate WNC is an aspiring regional mutual aid network.** Our mission is to link together community assets to address ecological and social challenges that require unique strategies and wider coordination.

Our approach is to **partner with existing community organizers and place-based community centers** to more effectively meet basic human needs. Helping groups start Savings Pools is one of our initiatives.

**Cooperative Saving & Lending is not new!** Communities have used savings pool models worldwide for generations to support themselves. The Savings Pool model we are using has been adapted from one created and used by folks in New Zealand.

# What is a Savings Pool?

## Empowering

A Community Savings Pool is a small-scale, accessible mutual aid tool for cooperative saving and lending that puts financial decision-making and power in the hands of the people who need it most.

## Accessible

Each pool is made up of 10-25 people or families who pool their savings and collectively loan money to each other for personal needs and goals, community projects, business start-ups and expansions, etc.

## Impactful

Pool members experience the power of giving and receiving support in a tangible real-life way that impacts their personal and family well-being while contributing to community resilience in WNC.

# More specifically...

- Savings Pools usually have 10-25 members
- Members contribute savings (they decide the amount)
- Members may approach the pool for an interest-free loan
- Pools meet regularly to discuss loan proposals and often develop a culture of mutual support beyond financial savings and loans.
- Loan proposals are approved by the whole pool and funded by individual members who act as the lenders
- Pools operate using the principle of **reciprocity**: rather than paying interest, borrowers pay back their loan plus an additional amount to reciprocate the gift of the interest free loan (which becomes their savings when the payments are complete).

# Benefits of Savings Pools

## Financial Support

Pools support members by spreading their financial ups and downs more evenly over time, so that being a member is a way of practicing self-care. A member prospering today can put something aside for a future self; a member struggling today can have a future self share the load.

## Community Resilience

Pools can create substantial change in the lives of members, businesses, neighborhoods, and communities they serve through investment in, and control of businesses, housing, land and farms, energy infrastructure, and grassroots healthcare enterprises.

## Social Connection

Pools are made up of people with established relationships, shared values, and mutual trust who care deeply about each other's wellbeing. They meet regularly possibly with a shared meal or a work project and help each other not only through lending but through mentorship and support.

# What does starting the pool look like?

## **Find Members** and define the **Values & Purposes** of your pool

Aligning your core values helps your pool decide what you stand for and guides your decisions, builds trust, and supports the culture of your pool.

## **Make Agreements** about the pool's **Governance and Operations**

Savings pools are not legal entities -- they are contractual agreements between the members. Pools use consent-based decision-making to ensure every member's input is valued. Although the pool decides whether to fund a loan, each member decides how much of their savings is going to be used.

## Elect signatories and **Open a Bank Account**

Savings are stored in a bank account owned by 2-3 members of the pool. Signatories are bound by the decisions of the pool.

# How we can help

We have resources, management tools, and training support to help you and your group start and maintain a savings pool to address your self-identified needs and goals.

## What we offer:

- 4 facilitated sessions over 4-6 months introducing, planning and launching your savings pool
- Adaptable templates for agreements and record keeping
- Phone and email support through the startup process and beyond
- Research and innovation in response to specific needs of your pool
- Introduction to other savings pools

## And what we ask in return...

- Have at least 15 people committed to attending an initial interest meeting (that's happening now!)
- And at least 12 people committing to continue the process to create the pool
- Identify at least 1 point person to communicate with the group and with CWNC (me) about meetings, etc.
- Organize meetings and provide a meeting location (can be virtual)
- Participate in questionnaires and moderate reading in preparation for meetings
- Provide testimonials and feedback about starting the savings pool and working with us
- Agree to share photos and videos (with permission of individuals) from meetings

*If you aren't already in contact with us, you can reach us at [communitysavingspools@gmail.com](mailto:communitysavingspools@gmail.com)*