Rotating Savings and Credit Associations (ROSCAs) in London's Black and Minoritised Communities

Scale, structure and the case for formal recognition

By

University of Bath and Communomics CIC

July 2026

Table of Contents

List of tables

Executive summary

Background. Rotating Savings and Credit Associations (ROSCAs) are informal, community-run savings groups in which members make regular contributions to a common fund and receive the total pot on a rotating basis. Known as Ajo, Esusu, Pardner, Box Hand, and Seetu across different communities, they operate without interest, without credit checks, and without formal intermediaries. Despite their scale and significance, ROSCAs remain largely invisible to UK financial regulators, credit reference agencies, and policymakers.

The study. This mixed-methods study collected survey data from 311 ROSCA participants and conducted in-depth interviews with 61 individuals across London's Black and minoritised communities. It examined participation patterns, group structures, attitudes towards technology and formalisation, and the policy landscape.

Key findings

Who participates: Participants are predominantly working-age (25-44 years, 66.9%), highly educated (86.2% hold university qualifications), and in full-time employment (67.2%). These indicate significant contributions of ROSCA to financial inclusion.

Scale and structure: Most groups have 6-10 members. Monthly contribution cycles, aligned to salary payments, are the norm (78.1%). Nearly half of participants contribute more than £100 per cycle, with over 20% contributing £251-£500. These are substantial financial commitments, not marginal activity.

Trust is the engine: 62.4% of groups are built on friendship ties and 51.4% on family networks. Social obligation, not legal enforcement, sustains these groups. Imposing external governance risks dismantling the trust infrastructure that makes them function.

A financial paradox: ROSCA participants demonstrate sustained financial discipline, yet this activity is invisible to credit reference agencies and frequently flagged as suspicious by banks under anti-money laundering monitoring. Participants face account scrutiny, closures, and mortgage rejections as a direct result.

Technology: Younger participants (18-34) show strong interest in digital tools. Older participants remain resistant. Digital adoption is conditioned by trust: tools that preserve community control are more likely to succeed than platforms that impose external oversight.

Section 1. Introduction

Rotating Savings and Credit Associations (ROSCAs) are among the oldest and most widespread forms of informal financial cooperation in the world. Defined as associations formed by a core of participants who agree to make regular cyclical contributions to a common fund which is then given, in whole or in part, to each contributor in rotation (Ardener, 1964), ROSCAs operate without interest, without formal credit checks, and without dependence on institutional intermediaries. In recent years, scholars have increasingly recognized these systems not as vestiges of the past, but as sophisticated "social economies" that provide essential mutual aid in the face of systemic financial exclusion (Hossein, 2023). Across sub-Saharan Africa, South Asia, the Caribbean, East Asia, and Latin America, they are known by dozens of names: Ajo, Esusu, Chit Fund, Seetu, Box Hand, Pardner, Tontine, yet share a common logic. This logic involves pooling periodic contributions from a trusted group and rotating access to the resulting lump sum.

Despite this global reach and centuries of practice, ROSCAs have received limited attention from policymakers, financial regulators and academic researchers in the United Kingdom; this remains a significant oversight given their prevalence. As Black and minoritised communities have flourished within British urban centers, so too have the community-led financial systems they brought with them or adapted from their countries of origin. ROSCAs are not a residual or transitional practice destined to fade as communities integrate into formal finance; rather, contemporary scholarship suggests they are enduring, dynamic and in many respects superior to mainstream products for specific financial purposes (Hossein, 2023).

The United Kingdom's financial inclusion agenda has expanded considerably over the past two decades, driven by successive governmental strategies, the work of bodies such as the Financial Inclusion Commission, and a growing recognition that access to affordable financial products is inseparable from broader social equity (HM Treasury, 2025). Yet this agenda has largely focused on extending the reach of formal institutions, such as banks, credit unions, and regulated lenders, into underserved communities, rather than on understanding, recognising, and building upon the informal financial architectures that already operate within those communities. The result is a profound paradox: communities frequently described as 'financially excluded' have, in practice, developed and sustained sophisticated financial systems of their own; these systems remain largely invisible to regulators, banks and policymakers.

This report addresses that gap. It presents findings from a mixed-methods study: 'ROSCAs in London's Ethnic Minority Communities: Role, Impact, and Future Directions': conducted as a collaboration between Communomics CIC and the University of Bath. The study draws on qualitative interview data from 61 ROSCA participants across London and surrounding areas, and a quantitative survey of 311 current or former ROSCA members, to produce the most comprehensive empirical account of ROSCA practice in the UK to date.

The research is guided by four primary objectives. First, to determine the market size, demographics, and structural landscape of ROSCAs in the UK. Second, to delineate the fundamental characteristics of ROSCAs by conducting a comparative analysis with analogous financial systems, such as Credit Unions, Peer-to-Peer lending, and Buy-Now-Pay-Later services. Third, to analyse the operational mechanics of ROSCAs and assess their receptiveness to technological integration. Fourth, to develop a robust policy framework and evidence base to facilitate engagement with regulatory bodies, with a view to establishing ROSCAs as a recognised and supported financial instrument in the UK.

The significance of these objectives extends beyond academic inquiry. ROSCAs occupy a distinctive position in the financial landscape of Black and minoritised communities: they are simultaneously a mechanism for disciplined saving, a source of interest-free credit, a form of social contract, and an expression of collective trust and solidarity. Understanding how they operate, who participates, and what conditions enable or impede their effectiveness has direct implications for financial inclusion policy, banking practice, and regulatory design.

The report is structured as follows. Section 2 reviews the existing literature on ROSCAs, informal finance, financial exclusion among ethnic minority communities in the UK, and the emerging role of technology in community-based finance. Section 3 describes the research methodology, including the mixed-methods design, data collection procedures, analytical frameworks, and quality criteria. Section 4 presents the findings organised around the four research objectives. Section 5 discusses the findings in relation to theory and existing evidence. Section 6 sets out conclusions and their implications for policy, practice, and future research.

Section 2. Literature review

This section reviews the scholarly literature relevant to the study of ROSCAs in the United Kingdom. It begins with the historical and comparative literature on ROSCAs as a global phenomenon before narrowing to their role within diasporic and ethnic minority communities in the UK. It then addresses the literature on financial exclusion and informal finance, the sociology of trust and social capital, the comparative characteristics of ROSCAs and formal financial products, and the emerging literature on digital innovation in community finance. It concludes with a discussion of the policy and regulatory context.

2.1. ROSCAs as a global financial institution

The systematic academic study of ROSCAs began with Ardener's (1964) foundational comparative analysis of rotating credit associations across Africa, Asia, and the Caribbean. Ardener documented both the structural consistency of the ROSCA model: periodic contributions, rotating payouts, temporal solidarity: and its remarkable cultural adaptability. Subsequent scholarship confirmed and extended these observations. Zambrano et al. (2023) described ROSCAs as the 'poor person's bank,' emphasising their role in enabling savings accumulation and credit access outside the formal financial system. Their synthesis of 96 studies confirms that ROSCAs can be welfare-improving relative to individual saving, particularly when members have lumpy consumption needs or investment objectives that require a threshold level of capital.

The literature consistently identifies trust as the foundational operating principle of ROSCAs. Unlike formal credit, which manages risk through collateral, credit scoring, and legal enforcement, ROSCAs manage risk through social sanctions, reputational mechanisms, and the carefully bounded extension of trust within known social networks (Onda, 2021; Zambrano et al., 2023). This means that ROSCA membership is typically governed by close relationships: kinship, shared ethnicity, faith community, or workplace ties: and that the threat of social exclusion is the primary enforcement mechanism. Default rates in well-functioning ROSCAs are correspondingly low (Ndoya et al., 2019).

According to (Zambrano et al., 2023), ROSCAs have been documented across a wide range of national contexts, including Nigeria (Ojo, 1998), India (Ghate, 1992), Mexico (Vélez-Ibáñez, 1983), South Korea (Kim, 2001), and Cameroon (Nzemen, 1988), among many others. Onda (2021) further documents their prevalence and cultural embeddedness in East Asian societies known as *"ke"* in South Korea, *"hui"* in China, and *"hyokai"* in Taiwan, demonstrating both their structural consistency and cultural adaptability. They are estimated to involve hundreds of millions of participants globally, with aggregate transaction values in the billions of pounds equivalent annually, though by definition this activity is largely uncounted and invisible to formal financial statistics (Zambrano et al., 2023).

2.1.1. The global ROSCA landscape

The context in which ROSCAs operate is one of profound and persistent financial exclusion. The World Bank's Global Findex Database (2025) reports that 1.3 billion adults worldwide remain outside the formal financial system. This is about 650 million adults concentrated in just eight countries: Bangladesh, China, Egypt, India, Indonesia, Mexico, Nigeria, and Pakistan (World Bank's Global Findex Database, 2025). Despite significant progress, the global account ownership has risen from 51 per cent in 2011 to 76 per cent by 2021. According to The World Bank's Global Findex Database (2025), the unbanked population remains disproportionately female (55 per cent), poor (52 per cent from the poorest 40 per cent of households), and educationally disadvantaged. In sub-Saharan Africa, where ROSCA participation is most thoroughly documented, formal account ownership rates lag considerably behind global averages, making informal savings mechanisms not a supplementary option but often the primary financial infrastructure available to households.

It is within this context of persistent formal financial exclusion that ROSCAs have flourished as a global institution. Participation rates in some sub-Saharan African countries are striking: surveys across Liberia, Ivory Coast, Togo, and Nigeria have documented ROSCA membership among 50 to 95 per cent of rural adults (World Bank's Global Findex Database, 2025). Across sub-Saharan Africa, South Asia, East Asia, and Latin America, ROSCAs collectively represent one of the largest informal financial systems in the world, estimated to involve hundreds of millions of participants and billions of pounds equivalent in annual transaction value (Zambrano et al., 2023). Zambrano et al. (2023) note that between 2016 and 2019 published research on ROSCAs increased substantially, reflecting growing policy and academic interest in the sector, though COVID-19 temporarily disrupted group activity and fieldwork access. Wambua and Wamuyu (2020) further document how mobile applications are now beginning to extend ROSCA reach and efficiency, particularly in East African contexts where digital financial infrastructure has developed rapidly.

In the United Kingdom, the picture is characteristically different in form but not in substance. Formal financial exclusion is comparatively low at the aggregate level with approximately 1.1 million adults, or 2.1 per cent of the adult population, were unbanked as of 2022 (FCA, 2022). However, this national figure conceals sharp ethnic and socioeconomic inequalities. Fair4All Finance (2021) found that 22 per cent of people from minority ethnic groups have experienced racial discrimination when dealing with financial providers. The Black African and Black Caribbean groups are respectively four times and 3.5 times more likely to be denied a loan than their White British counterparts (Fair4All Finance, 2021). The HM Treasury Financial Inclusion Strategy (2025) further identifies that households from Bangladeshi, Black African, and Pakistani backgrounds are significantly over-represented among the 20.3 million UK adults now living in financially vulnerable circumstances. For these communities, ROSCAs are not merely a cultural habit; they are a rational and sophisticated financial response to structural barriers within the formal system. The Table 1 summarises key indicators of banking access and financial exclusion across global regions and within the United Kingdom, contextualising the landscape of demand in which ROSCAs operate.

Table 1: Key indicators of banking access and financial exclusion: global regions and United Kingdom

Indicator	Figure	Source
Global adults without a bank account	1.3 billion	World Bank Findex (2025)
Unbanked concentrated in 8 key countries	~650 million (50% of global unbanked)	World Bank Findex (2025)
Global account ownership rate	76% of all adults	World Bank Findex (2021)
Sub-Saharan Africa: account ownership	~55% of adults	World Bank Findex (2025)
Middle East & North Africa: account ownership	53% of adults	World Bank Findex (2025)
South Asia: account ownership	~80% of adults	World Bank Findex (2025)
UK: adults without a bank account	~1.1 million (2.1% of adult population)	FCA (2022)
UK: minority ethnic financial discrimination	22% have experienced racial discrimination from a financial provider	Fair4All Finance (2021)
UK: Black African loan denial vs. White British	4× more likely to be denied	Fair4All Finance (2021)
UK: Black Caribbean loan denial vs. White British	3.5× more likely to be denied	Fair4All Finance (2021)
UK adults in financially vulnerable circumstances	20.3 million	Fair4All Finance (2023)
ROSCA rural participation rate (West Africa)	50–95% of adults in some countries	Zambrano et al. (2023)
Estimated global ROSCA participation	Hundreds of millions of participants	Zambrano et al. (2023)

2.1.2. Structure and mechanics of ROSCAs

At its core, a ROSCA comprises a fixed group of members, typically between five and twenty participants who agree to contribute a set amount at regular intervals, most commonly weekly or monthly. The accumulated contributions form a 'pot' that is paid in full to one member per cycle, rotating until every member has received a payout once. Each participant is simultaneously saver and borrower across the life of the cycle: those who receive the pot early benefit from access to a lump sum before they have fully contributed, while those who receive it late function predominantly as savers until their turn arrives. The cycle concludes when all members have received a payout, at which point the group may dissolve or reconstitute for a new round (Zambrano et al., 2023).

Considerable variation exists in how rotation order is determined. In random-order ROSCAs, positions are allocated by lot at the outset, distributing early and late positions equitably. In fixed-order ROSCAs, positions are pre-agreed, often reflecting seniority, trust hierarchy, or immediate financial need. The first position may be awarded to the member facing the most pressing financial circumstance. Bidding ROSCAs represent a more complex variant: members who desire early access to the pot offer a discount to the group, effectively paying an implicit rate of return to other participants. Anderson et al. (2009) demonstrate that under certain conditions this mechanism generates efficient outcomes, as the willingness to pay reflects genuine time preferences and liquidity need. The variation in structural form across communities reflects both practical adaptation to local circumstances and differing norms around hierarchy, reciprocity, and financial transparency.

The management of a ROSCA typically falls to an organiser, variously called the 'banker', 'manager', or 'captain' depending on community who coordinates collection, maintains records, and distributes the pot (Chen, 2026). This role carries significant social authority and responsibility: the organiser must handle contributions honestly, track participation, and mediate disputes. Selection of the organiser is itself a governance decision of consequence, and in many groups, it is awarded to the most trusted and senior member rather than the most recent or peripheral participant. Ndoya et al. (2019) document the range of formal and informal rules through which ROSCAs manage default risk, including progressive sanction schedules, home visits to defaulting members, and community pressure. Their evidence from urban Benin shows that organisational sophistication, including explicit agreements on rotation order and contribution rules, significantly reduces the probability of group collapse (McNabb, LeMay-Boucher & Bonan, 2019).

Membership criteria in ROSCAs are characteristically stringent and relational. Prospective members are almost always recruited through pre-existing social networks such as kinship, faith community, workplace, or close friendship rather than through open application or advertisement. This recruitment process serves a dual purpose: First to generate the pre-existing trust that enables contribution without legal enforcement, and secondly, to creates the reputational stakes that deter default. Exclusion from the group and the reputational damage that follows within the wider social network constitutes the primary sanction for non-compliance. This is a mechanism that is effective precisely because ROSCA members are embedded in ongoing social relationships beyond the group itself (Onda, 2021; Zambrano et al., 2023). Where social ties are weak or group composition is heterogeneous, enforcement becomes correspondingly more difficult and default rates tend to rise (Ndoya et al., 2019).

Increasingly, the operational mechanics of ROSCAs are being augmented and in some cases transformed by digital tools. Wambua and Wamuyu (2020) document how mobile applications developed for informal saving groups address longstanding operational vulnerabilities: automated payment reminders reduce late contributions; digital contribution ledgers replace handwritten records, reducing dispute risk; and electronic fund transfers eliminate the security risks associated with cash handling. These platforms preserve the social architecture of the ROSCA where membership remains relational, trust remains central. This addresses practical frictions that limit scalability and transparency. In the UK context, a growing number of community finance platforms now offer digital infrastructure explicitly tailored to diaspora ROSCA practices, representing an area of active innovation at the interface of fintech and informal finance.

2.1.3. ROSCAs compared to formal financial products

ROSCAs occupy a distinctive position in the broader landscape of financial products available to households in the United Kingdom. Unlike the products offered by banks, credit unions, buy-now-pay-later (BNPL) providers, and peer-to-peer (P2P) lending platforms, ROSCAs are not profit-seeking institutions: they generate no margin, charge no interest, and impose no fees. This structural difference underlies several of ROSCAs' most significant comparative advantages and also some of their most important limitations. Understanding how ROSCAs compare to mainstream financial products is essential for evaluating their role in the financial inclusion landscape and for designing policy frameworks appropriate to their character (Zambrano et al., 2023).

Relative to commercial banks, ROSCAs offer three distinctive advantages for their target population. First is accessibility: ROSCA membership requires no credit history, no formal documentation, and no minimum balance. These are barriers that routinely exclude ethnic minority and low-income households from bank lending (Fair4All Finance, 2021). Second is cost: ROSCA participation is interest-free, meaning participants collectively receive exactly what they contribute. There is no cost of capital. Third is alignment: ROSCAs are governed by and for their members, without intermediation by profit-seeking institutions whose incentives may diverge from those of customers. The corresponding limitations are significant: ROSCA deposits carry no depositor protection under the Financial Services Compensation Scheme, ROSCA activity generates no formal credit history, and ROSCA membership is contingent on social relationships that may be inaccessible to isolated or recently arrived individuals. HM Treasury (2025) acknowledges this trade-off, recognising that informal financial arrangements serve needs that regulated products currently fail to meet for many communities.

Credit unions share important characteristics with ROSCAs as both are member-governed, community-rooted, and explicitly non-profit-seeking. However, they differ in critical structural respects. Credit unions are regulated entities operating under the Financial Services and Markets Act 2000, offering deposit protection, formal credit products, and regulated savings vehicles. Their regulated status provides consumer protections entirely absent from ROSCAs, but it also imposes compliance costs that constrain their accessibility and responsiveness. In practice, credit unions typically serve members through structured savings and loan products with defined terms, whereas ROSCAs provide a more flexible, relational, and community-specific mechanism that requires no ongoing institutional overhead. ROSCAs are also considerably faster and more responsive: contribution levels, rotation order, and group size can all be adjusted informally to meet members' evolving needs in ways that the governance structures of regulated institutions do not readily permit (Zambrano et al., 2023; HM Treasury, 2025).

Buy-now-pay-later services and peer-to-peer lending platforms offer access to short-term liquidity without many of the documentation requirements of traditional banks, and in this respect they share with ROSCAs an accessibility proposition that addresses some barriers facing financially excluded populations. However, both BNPL and P2P operate on commercial terms such as late fees, interest charges, and credit data usage are central features. Both generate and depend upon credit history data. BNPL services in particular have attracted regulatory scrutiny for their potential to facilitate over-indebtedness among financially vulnerable consumers (FCA, 2019). ROSCAs, by contrast, impose a natural discipline on consumption: the contribution is fixed and periodic, the obligation is social rather than contractual, and there is no mechanism for accumulating debt beyond the group's collective resources. Wambua and Wamuyu (2020) note that digital ROSCA platforms occupy a distinctive hybrid position, combining the accessibility and community governance of traditional ROSCAs with the operational efficiency of fintech infrastructure. This is a combination that no existing regulated product category yet replicates.

Table 2 provides a structured comparison of ROSCAs against four mainstream financial products across six key dimensions. The comparison illustrates both the distinctive strengths of ROSCAs as a financial instrument and the regulatory and recognition gaps, particularly in legal protection and credit history, that well-designed policy interventions could address

Table 2: Comparative analysis of ROSCAs and mainstream financial products across six key dimensions

Dimension	**ROSCA**	**Bank (savings/loan)**	**Credit Union**	**BNPL**	**P2P Lending**
Interest / Cost	None, zero cost of capital	Interest charged on loans; minimal return on savings	Low interest on loans; member dividends	Zero interest if repaid on time; fees/interest on late/extended plans	Interest charged to borrowers; return to lenders
Credit history required	None	Yes, credit check standard	Typically yes, though more flexible than banks	Soft or hard credit check; varies by provider	Yes, credit check required
Legal / consumer protection	None, informal arrangement only	Full, FSCS deposit protection up to £85,000	Full, FSCS deposit protection up to £85,000	FCA regulated; evolving consumer protections	FCA regulated; no FSCS cover on investments
Governance	Member-led; community organiser	Corporate; shareholder-driven	Member-owned; but formally regulated	Corporate; profit-driven	Platform-mediated; peer-to-peer
Accessibility (no formal docs)	High, social network sufficient	Low: ID, address, credit history needed	Moderate — some documentation required	Moderate, ID and soft check	Low, full credit assessment
Credit history built	No, invisible to credit agencies	Yes	Yes	Yes (some providers report to bureaus	Yes

2.2. Classification of ROSCA

ROSCAs are not a monolithic institution, they assume a variety of forms shaped by the social, cultural, and operational contexts in which they emerge. Scholars have classified ROSCAs along two principal dimensions:

(i) the *social and organisational context* that underpins group formation

(ii) the *fund allocation mechanism* used to determine the order in which members receive the pooled contributions, commonly referred to as the *pot*

Understanding these classifications is essential for appreciating the heterogeneity of ROSCAs and their differential impacts on financial inclusion and savings behaviour (Amankwah et al., 2019; Amankwah et al., 2021).

2.2.1. Classification by social and organizational context

Amankwah et al. (2021) identified four principal forms of ROSCA in the Ghana context that are distinguished by the social and organisational basis upon which members are recruited and groups are constituted. These are the *Office ROSCA*, the *Neighbourhood ROSCA*, the *Ethnicity and Religious ROSCA*, and the *Market ROSCA*. Importantly, membership across these forms is not mutually exclusive; a participant may simultaneously belong to more than one type and may hold multiple contribution shares within the same group (Amankwah et al., 2021).

Office ROSCA

The Office ROSCA is formed either organically among colleagues who share the same workplace or through formal governmental welfare programmes such as the family welfare initiative (Amankwah et al., 2021). In Ghana, both private sector employees and workers within formal financial institutions participate in this form of ROSCA, primarily to pool resources for the acquisition of indivisible durable goods or to create a buffer against unforeseen expenditure. Office ROSCAs are characterised by relatively small membership and high per-period contributions compared to other types, reflecting the relatively stable and predictable incomes of participants. Default risk is minimal because members know each other well and share daily work environments, which facilitates effective peer monitoring. Meetings are typically held on a monthly basis, often coinciding with payday (Amankwah et al., 2021). An illustrative example reported by Amankwah et al. (2019) involves five national service personnel at the Electricity Company of Ghana who formed an Office ROSCA to support one another while awaiting their monthly stipends.

Neighbourhood ROSCA

The Neighbourhood ROSCA is among the most prevalent forms of ROSCA in Ghana and is constituted by individuals who reside in the same locality and have co-habited the area for a substantial period of time (Amankwah et al., 2021). Membership eligibility is largely open and any community resident who is not socially stigmatised by criminal conduct may join. The association is typically organised by the youth of the neighbourhood, and women constitute a disproportionately high share of participants, consistent with the broader finding that females are significantly more likely to participate in ROSCAs than males (Amankwah et al., 2021). Neighbourhood ROSCAs tend to be larger in membership size and carry lower per-period contributions relative to their Office counterparts. The comparatively looser social ties and broader membership also introduce higher default risk. Meetings are usually held on a weekly or monthly basis.

Ethnicity and religious ROSCA

The Ethnicity and Religious ROSCA is rooted in shared cultural identity. Ethnic ROSCAs are typically formed by individuals from the same ethnic group or language community who are residing outside their place of origin and seek to maintain solidarity through regular financial cooperation (Amankwah et al., 2021). Religious ROSCAs, on the other hand, are organised within faith communities, where members gather primarily for worship before conducting ROSCA business. Religious ROSCAs as practiced in Ghana feature relatively low contribution rates, as the financial component of the association is secondary to its devotional purpose. Meetings are conducted on a weekly basis. The membership size of these associations is inherently bounded by the density of co-ethnic or co-religious individuals in a given locality, making them smaller and more tightly knit than Neighbourhood ROSCAs (Amankwah et al., 2021).

Market ROSCA

The Market ROSCA is dominated by traders operating in marketplaces and represents the most operationally distinct form of ROSCA as seen in the Ghanaian economy (Amankwah et al., 2021). Unlike other types, Market ROSCAs do not convene formal periodic meetings. Instead, a designated agent circulates through the market on a daily basis to collect each member's contribution and subsequently delivers the accumulated pot to the pre-agreed winner. This agent-intermediated model is particularly well-suited to the rhythms of market trading, where participants may lack the time or flexibility to attend formal gatherings. The absence of meetings reduces organisational overhead but places substantial responsibility on the trustworthiness of the collecting agent (Amankwah et al., 2021; Ali, 2024).

2.2.2. Classification by fund allocation mechanism

Another classification focuses on the *mechanism by which the pot is allocated* to members. This structural dimension is analytically important because the allocation rule governs the distribution of implicit interest-free credit across participants, shapes incentive compatibility within the group, and determines the severity of the enforcement problem faced by organisers (Amankwah et al., 2021). Three canonical types are identified in the literature: the *Random ROSCA*, the *Bidding ROSCA*, and the *Fixed ROSCA*. An emerging fourth form is the *Digital ROSCA* which is also noted in contemporary scholarship (Ali, 2024).

Random ROSCA

In a Random ROSCA, all members commit to contributing a fixed sum of money into a communal pot during each period of the association's life cycle. At the beginning of each period, lots are drawn and the pot is randomly allocated to one member. Once a member has received the pot, they are excluded from subsequent draws but continue making contributions until every participant has received the pot once, at which point the ROSCA either dissolves or recommences (Amankwah et al., 2021). This is the most widespread form of ROSCA (Amankwah et al., 2021). The Random ROSCA is regarded as the fairest form because all members face an equal ex-ante probability of receiving the pot early, thereby equalising expected receipt dates (Amankwah et al., 2019). However, it presents the greatest enforcement challenge for the participant who receives the pot first, since they must sustain contributions for the remainder of the cycle with no further prospect of a payout (Amankwah et al., 2021).

Bidding ROSCA

The Bidding ROSCA allocates the pot through a competitive auction process. The member who bids the highest either by pledging elevated future contributions or by making a one-time side payment to the other members receives the pot in the current period (Amankwah et al., 2021). This mechanism introduces a price dimension into the allocation process, effectively simulating the payment of interest. The early recipient bears a premium, whilst later recipients benefit from higher cumulative inflows. Bidding ROSCAs carry comparatively lower default risk than their random counterparts because the act of bidding signals willingness and capacity to pay, and because the financial stakes attached to defection are higher (Amankwah et al., 2021). Empirically, bidding ROSCAs remain rare in Ghana; Amankwah et al. (2021) found that only 0.5% of surveyed participants used bidding as their disbursement criterion, reflecting a cultural preference for lottery-based fairness norms.

Fixed ROSCA

In a Fixed ROSCA (also referred to as a pre-arranged ROSCA), the rotation order in which members receive the pot is established and agreed upon *before the ROSCA commences* and is known to all participants throughout the cycle (Amankwah et al., 2021). This transparency can reduce informational uncertainty; however, it also amplifies the enforcement problem for both the first *and* the last recipient. The first recipient has the greatest incentive to default after receiving an early pot, whilst the last recipient must sustain contributions over the longest period before receiving any payout (Amankwah et al., 2021; Amankwah et al., 2019). Despite these enforcement challenges, the Fixed ROSCA provides members with a degree of financial planning certainty that random or bidding mechanisms do not offer.

Digital ROSCA (Emerging Form)

A fourth and emerging form of ROSCA known as the Digital ROSCA has gained increasing attention since the early 2020s. Digital ROSCAs leverage mobile and internet-based platforms to facilitate contributions, record-keeping, and pot allocation, thereby overcoming the geographic and social proximity constraints that traditionally anchor ROSCA membership to close-knit communities (Ali, 2024). Prominent examples include *MoneyFellows* in Egypt, *Oraan* in Pakistan, and *eQUB* in Ethiopia, each of which has adapted the core ROSCA logic to a digital environment serving millions of users (Ali, 2024). In the absence of peer-based social enforcement, Digital ROSCAs substitute identity verification, credit assessments, and legally binding contracts to mitigate default risk. This emerging form reflects a broader pattern of fintech-enabled financial inclusion, and its relevance to the Ghanaian context is growing as mobile penetration rates rise (Ali, 2024).

Table 3: Summary classification of ROSCAs by social context and allocation mechanism [Compiled based on Amankwah et al. (2019); Amankwah et al. (2021); Ali (2024)]

Classification Dimension	Type	Key Characteristics	Membership Basis	Contribution Frequency	Pot Allocation Method
Social / Organisational Context	Office ROSCA	Workplace-based; small membership; high contribution; low default risk; monthly meetings	Colleagues / co-workers	Monthly	Agreement / ballot
Social / Organisational Context	Neighbourhood ROSCA	Geographically-based; open membership; organised by youth; high female participation; lower contributions	Residents of same neighbourhood	Weekly / Monthly	Lottery / ballot
Social / Organisational Context	Ethnicity & Religious ROSCA	Cultural identity-based; combines religious / ethnic activities with savings; low contribution rate; weekly meetings	Same ethnic group or religious community	Weekly	Agreement / lottery
Social / Organisational Context	Market ROSCA	Trade-based; no formal meetings; agent-collected; daily contributions; dominant in marketplaces	Market traders	Daily	Pre-agreed assignment
Fund Allocation Mechanism	Random ROSCA	Lottery determines order; equal probability for all; fairest form; higher enforcement risk for first recipient	Any social group	Variable	Random lottery
Fund Allocation Mechanism	Bidding ROSCA	Auction-based; highest bidder receives pot; mimics interest payments; lower default risk	Any social group	Variable	Competitive bidding
Fund Allocation Mechanism	Fixed ROSCA	Pre-determined order; known in advance to all members; greater enforcement risk for first and last recipient	Any social group	Variable	Pre-arranged rotation
Emerging Form	Digital ROSCA	Technology-mediated; overcomes geographic constraints; formal verification required; fintech-enabled	Online community (open)	Variable	Random / pre-agreed

2.3. ROSCAs in diasporic and ethnic minority communities in the UK

Scholarship on ROSCAs in the United Kingdom has developed more slowly than in other national contexts, though a meaningful body of evidence now exists. Stoller (2002) and Pallister-Wilkins (2011) documented the persistence of ROSCA-type arrangements among West African and Caribbean communities in major British cities. Halpern and Nazroo (2000) identified informal savings groups as an important component of financial life among South Asian communities. More recently, Tran et al. (2015) observed the practice among Vietnamese communities in the UK, noting its intergenerational transmission and adaptation to British financial conditions.

A consistent finding across this literature is that ROSCA participation in diasporic contexts is not a sign of financial exclusion in a simple sense. Werbner (1990), in her influential study of Pakistani entrepreneurs in Manchester, showed that ROSCA participation was a deliberate strategy pursued by upwardly mobile individuals who valued the discipline and flexibility of community finance alongside, rather than instead of, formal products. Similarly, Bashi Treitler (2007) documented the use of pardner hands among Caribbean communities in the United States as a tool for property purchase, business investment, and wealth accumulation by employed and educated individuals who were nonetheless systematically disadvantaged by mainstream lending practices.

The naming and cultural embeddedness of ROSCAs in the UK varies by community, reflecting the diversity of diasporic experience. Nigerian and wider West African communities commonly use the terms Ajo, Esusu; South Asian communities, particularly Sri Lankan Tamils, use Seetu or Chit; Caribbean communities use Box Hand or Pardner (Wills et al., 2010). This naming diversity is analytically important: it signals both cultural specificity and functional equivalence, and it complicates any attempt to enumerate ROSCA activity using administrative data.

2.4. Financial exclusion and ethnic minority communities

Financial exclusion: defined broadly as the inability to access mainstream financial products and services in an appropriate form: is unevenly distributed across the UK population.

Research by the Financial Conduct Authority (2022), the Joseph Rowntree Foundation (2021), and Equality Hub (2023) consistently shows that Black, Asian, and minority ethnic (BAME) communities experience higher rates of financial exclusion than the White British population, including lower rates of access to mortgages, unsecured credit, and savings products, as well as higher rates of credit refusal and predatory lending exposure.

The mechanisms underlying this disparity are multiple and compounding. They include structural discrimination in credit scoring and lending decisions (Dymski, 2006); the exclusion of informal financial activity from credit histories, which systematically disadvantages those who manage finances through community networks rather than banks (Leyshon & Thrift, 1995); and the spatial concentration of financial services in areas that leave urban ethnic minority communities comparatively underserved (French et al., 2013). The result is that many ROSCA participants are not financially excluded in the sense of lacking financial knowledge or discipline: many are highly educated professionals: but are excluded from particular formal products for systemic structural reasons.

The literature on informal finance as a response to exclusion emphasises the agency and resourcefulness of excluded communities rather than their deficit (Collins et al., 2009). Portfolios of the Poor, based on detailed financial diaries across multiple countries, demonstrated that low-income households are not passive victims of financial exclusion but active managers of complex financial lives, frequently using a combination of formal and informal instruments to manage cash flow, accumulate capital, and manage risk.

2.5. ROSCAs, formal Finance, and comparative advantage

A recurring theme in both the empirical and theoretical literature is the distinctive comparative advantage of ROSCAs relative to formal financial products in certain domains. ROSCAs are interest-free, meaning that participants receive exactly what they contribute in aggregate, with no cost of credit. They are accessible without credit checks or formal documentation. They are flexible, allowing rotation order and contribution amounts to be negotiated to meet members' needs. And they generate powerful behavioural commitment effects: contributions function as an obligation in a way that discretionary savings do not (Zambrano et al., 2023).

The literature on behavioural economics provides additional theoretical grounding for these commitment effects. Thaler and Benartzi (2004) established that default savings rules and commitment devices can dramatically improve savings outcomes. ROSCAs function as community-enforced commitment devices: the social obligation to contribute removes the option to withdraw that undermines purely individual saving strategies. This is particularly valuable for individuals who experience present bias, a tendency to discount future financial goals in favour of immediate consumption (Onda, 2021).

At the same time, the literature identifies important vulnerabilities. The absence of legal enforceability means that defaults are managed entirely through social sanctions, which can be inadequate in cases of serious financial difficulty or deliberate fraud. The concentration of group management in a single coordinator creates agency risk, particularly in larger groups. And the informal, cash-based nature of many ROSCAs makes them vulnerable to banking sector suspicion, with members reporting account freezes and de-banking following detection of regular large cash transfers (Fair4All Finance, 2021)

2.6. Technology, digitalisation, and the future of community finance

A growing body of literature examines the potential for digital technology to transform informal financial systems, including ROSCAs. Wambua and Wamuyu (2020) documented the transformative effect of mobile applications on informal saving groups particularly in the Kenyan context. This demonstrate that digital tools can dramatically increase the efficiency, transparency, and resilience of community financial networks. Their research showed that mobile platforms reduce transaction costs and information asymmetries, enabling more robust contribution tracking, payment reminders, and default management across informal financial networks.

In the UK context, the fintech sector has begun to develop products explicitly targeting community savings groups. Platforms such as Kriya, Arnie, and several others offer digital infrastructure for group saving, payment tracking, and contribution reminders. However, the academic literature on the adoption and impact of these platforms within ethnic minority ROSCA communities in the UK remains sparse, representing a significant gap that this study begins to address.

The literature on technology adoption in financial services suggests that trust is a central determinant of uptake: individuals are more likely to adopt digital financial tools when they trust both the technology and the institutional context in which it operates (Wambua & Wamuyu, 2020). In the ROSCA context, this suggests that digitalisation may be welcomed where it is controlled by trusted community members, but resisted where it is associated with external institutional oversight, data sharing, or the erosion of community autonomy (Anderson et al., 2009).

2.7. Policy and regulatory context

The regulatory position of ROSCAs in the United Kingdom is ambiguous. The Financial Services and Markets Act 2000 and subsequent regulation administered by the Financial Conduct Authority applies to activities constituting ‘regulated activities’, including deposit-taking, lending, and investment. Most ROSCAs, operating as informal mutual arrangements among known members, fall outside the scope of regulated activity; however, the boundary is not always clear, and larger or more formal ROSCA arrangements may attract regulatory scrutiny (FCA, 2019).

The banking sector's treatment of ROSCA transactions has emerged as a significant practical issue. Anti-money laundering (AML) and Know Your Customer (KYC) requirements mean that banks are obliged to investigate unusual transaction patterns, and the regular pooled transfers characteristic of ROSCAs. Large, round-sum transactions among multiple individuals can trigger de-risking responses, including account freezes and closures. This creates a direct tension between regulatory compliance and the financial inclusion of ROSCA-participating communities (Fair4All Finance, 2021; HM Treasury, 2025).

The credit reporting literature identifies a further gap: ROSCA participation generates no formal credit history, meaning that individuals who have demonstrated sustained financial discipline over years of ROSCA membership receive no recognition of this from credit reference agencies. This is both a financial inclusion problem, it constrains access to formal credit and a recognition problem: it renders invisible a form of financial practice that is meaningful and valuable to those who engage in it (Fair4All Finance, 2021). Addressing this gap is identified in the literature as one of the most tractable policy interventions available (HM Treasury, 2025)

Section 3. Methodology

This section describes the research design, data collection methods, analytical approaches, and quality criteria adopted in this study. The research employed a concurrent mixed-methods design, integrating qualitative and quantitative strands to generate a comprehensive and mutually reinforcing understanding of ROSCA practice, experience, and context in the United Kingdom.

3.1. Research approach

The study is grounded in a pragmatist research philosophy, which holds that the most appropriate method or methods for a given inquiry are those best suited to answering the research questions, rather than those prescribed by a single epistemological tradition (Creswell & Plano Clark, 2018). This orientation permits: and in this case, actively motivates: the integration of qualitative and quantitative methods within a unified study.

A concurrent mixed-methods design was selected for two principal reasons. First, the research questions address both the lived experience of ROSCA participants: their motivations, practices, relationships, and perceptions: and the aggregate structural features of ROSCA participation in the UK, including demographic profiles, contribution patterns, and attitudes towards policy and technology. These questions are not reducible to a single methodological approach: the former calls for interpretive, qualitative methods; the latter for systematic quantitative analysis. Second, collecting qualitative and quantitative data concurrently rather than sequentially allowed for methodological triangulation, with each strand providing a check on, and contextualisation of, the other.

The qualitative strand prioritised depth, context, and participant voice. The quantitative strand prioritised breadth, generalisability within the sample, and the identification of associations and predictors across a larger respondent pool. Together, they enable the study to move between the particular and the general, between individual accounts and aggregate patterns.

3.2. Data collection

3.2.1. Qualitative data: semi-structured interviews

Pilot

The qualitative pilot comprised 24 semi-structured interviews with current or former ROSCA participants, conducted prior to the main data collection phase. Participants were purposively selected across three community segments: local retailers and business owners, parents and carers, and members of religious communities. This segmentation was designed to capture variation in the roles through which ROSCA participation is organised and experienced. Participants ranged in age from 31 to 60 years, were predominantly of Black African or Black British heritage, and were based primarily across London boroughs including Lewisham, Southwark, and Croydon, with a small number residing in other UK cities. They represented a broad range of professional backgrounds, including healthcare, education, project management, engineering, and social work.

The interview instrument comprised five thematic sections covering 23 substantive questions, mirroring the structure subsequently deployed in the main study. Topics spanned the ROSCA landscape and participant background, comparison with other financial systems, operations and technology, policy and formalisation, and final reflections. Interviews were conducted in a semi-structured, open-ended format, allowing the emergence of themes not directly anticipated in the instrument design. Qualitative data were analysed using NVivo, consistent with the analytical approach adopted for the main study.

Main data

The qualitative strand of the main study involved 61 in-depth, semi-structured interviews with current or former ROSCA participants in London and surrounding areas. Participants were drawn from a range of ethnic minority communities, with the largest representation from Black African (predominantly Nigerian) and South Asian (predominantly Sri Lankan Tamil) backgrounds, alongside Black Caribbean, Black British, and Indian Asian participants.

The interview instrument comprised five thematic sections covering 23 substantive questions: (1) the ROSCA landscape and participant background; (2) comparison with other financial systems; (3) operations and technology; (4) policy, formalisation, and financial inclusion; and (5) final reflections. The instrument was designed to elicit both factual information about ROSCA practice and interpretive accounts of participants' experiences, motivations, and assessments.

Recruitment was conducted through trust-based and network-led approaches, drawing on community organisations, friendship ties, professional networks, and ethnic association contacts. This recruitment strategy was deliberate: it mirrors the relational infrastructures through which ROSCAs themselves typically function, and it was essential for accessing a community whose financial practices are largely informal and not visible through administrative databases or public records. Theoretical saturation was used as a guide for determining when sufficient interviews had been conducted, with the research team monitoring whether new interviews were generating substantively new themes.

Interviews were conducted in English, in person or by video call, with the participant's consent to recording and transcription. Verbatim transcripts were produced for all interviews and stored securely in accordance with data protection requirements.

Summary

The qualitative pilot confirmed that the five-theme interview structure was coherent and analytically productive, that the semi-structured format effectively elicited rich experiential accounts, and that NVivo was appropriate for the scale and type of data generated. No significant comprehension difficulties arose, and participants engaged readily across all thematic sections.

Several refinements followed from the pilot experience. Eligibility criteria were operationalised more explicitly to account for the terminological diversity of ROSCA practice, ensuring that participants whose groups operated under names such as Ajo, Esusu, Chit Fund, or Box Hand were not inadvertently excluded. The geographic scope was broadened beyond Lambeth and Southwark to reflect feedback that ROSCA activity is distributed across a wider urban geography than the pilot boroughs alone. The interview sample was enlarged from 24 to 61 participants to support more robust thematic saturation and to enable finer-grained analysis by community, gender, and professional background. The interview guide itself was revised and expanded from 22 to 26 questions. Opening questions were restructured to situate participants' broader financial practices before narrowing to ROSCA-specific experience, and a question on the primary purpose of the participant's ROSCA was added to Section 1. Two new questions on the benefits of and concerns about digital tools were introduced in Section 3, sharpening the technology strand of the instrument. Section 4 was extended with two substantive additions: a question inviting participants to offer direct advice to policymakers and bank executives, and a question on how participants would feel if their ROSCA participation and savings history were used to calculate their official credit score. This question proved analytically significant in connecting ROSCA practice to wider financial inclusion debates. A duplicate question present in the pilot instrument was also removed.

3.2.2. Quantitative data: survey

Pilot

The quantitative pilot comprised a structured survey administered via QuestionPro to 31 respondents drawn from Black and minoritised communities in London, with a particular focus on the boroughs of Lambeth and Southwark. Participants were recruited across the same three community segments as the qualitative pilot. These segments include local retailers and business owners, parents and carers, and religious community members, enabling cross-method comparison within the pilot phase. Demographically, the majority of respondents (66.1%) identified as Black African, Caribbean, or Black British, with further representation from White (13.6%), Asian/Asian British (11.9%), Mixed/Multiple ethnic groups (5.1%), and other backgrounds (3.4%). Data were analysed using SPSS, consistent with the analytical approach adopted for the main study.

The survey instrument captured demographic information, ROSCA participation characteristics, attitudes towards formal financial products, experiences of banking and regulatory scrutiny, openness to technological innovation, and preferences regarding policy and formal recognition. Questions used a combination of single-response, multi-response, and Likert scale formats, mirroring the instrument subsequently deployed in the main study.

Main data

The quantitative strand of the main study involved a structured survey administered to 311 current or former ROSCA members. The survey instrument was designed to capture demographic information, ROSCA participation characteristics, attitudes towards formal financial products, experiences of banking and regulation, openness to technological innovation, and preferences regarding policy and recognition. Questions used a combination of single-response, multi-response, and Likert scale formats.

Survey participants were recruited through a combination of community networks, digital channels, and snowball sampling, building on the trust relationships established during the qualitative recruitment phase. The survey was administered digitally and anonymously, with participants providing informed consent before completing the instrument. Responses were validated and cleaned prior to analysis, and cases with substantial missing data were excluded.

The resulting sample of 311 respondents is demographically diverse, with representation from multiple ethnic communities, genders, age groups, education levels, and employment statuses. The sample is not intended to be statistically representative of all ROSCA participants in the UK. No sampling frame for such a population exists, but rather to provide a sufficiently large and varied dataset to enable meaningful quantitative analysis of patterns and associations within the ROSCA-participating community.

Summary

The quantitative pilot confirmed that the survey instrument performed effectively across all components, with no significant comprehension difficulties reported. The response distributions was sufficiently varied to enable meaningful analysis.

On the basis of pilot experience, several refinements were made to the main quantitative design. Two explicit eligibility screening questions were added to the survey opening. This confirmed current or recent ROSCA membership and London residency to sharpen the sample focus and reduce off-target responses. Education level was introduced as a demographic variable, enabling analysis of the relationship between educational attainment and ROSCA participation patterns. The group size response options were refined for greater granularity, and a new question on typical contribution amount was added to Section 2. This directly addressed a gap identified in the pilot where contribution data were captured only through interviews. The comparative question was broadened to include financial benefits alongside trust and accessibility as dimensions of comparison with other financial systems. The non-participant section present in the pilot instrument was removed from the main survey, as the screener questions rendered it redundant and its inclusion had added unnecessary length. Numerical response codes were assigned to all items to facilitate direct import into Stata for the multivariate analysis planned for the main study. The sample target was expanded from 31 to 311 respondents to enable the logistic and ordered logistic regression modelling that was not feasible at the pilot scale.

3.3. Data analysis

3.3.1. Qualitative analysis

Qualitative data were analysed using reflexive thematic analysis (Braun & Clarke, 2022), an approach that moves between inductive and deductive reasoning to identify, develop, and interpret patterns of meaning across a dataset. The analytical process involved six stages: familiarisation with the data; generation of initial codes; development of candidate themes; review of themes against the data; definition and naming of themes; and production of the analytical narrative.

Analysis drew on the full verbatim transcripts, supported by structured summaries and cross-tabulations of participant responses across key variables including gender, age, ethnicity, and employment status. This facilitated both within-group analysis: identifying patterns within specific demographic sub-groups: and cross-group comparison. Direct participant quotations are used throughout the findings sections to evidence key claims and to preserve the meanings participants attached to ROSCA practice in their own terms.

3.3.2. Quantitative analysis

Quantitative data were analysed using Stata. The analysis proceeded in three stages. First, descriptive statistics: frequencies, percentages, and means: were computed for all variables to characterise the sample and document participation patterns. Second, bivariate analyses: chi-square tests, Pearson correlation coefficients, and cross-tabulations: were used to identify associations between key variables, including demographic characteristics, ROSCA structural features, attitudes towards technology, and preferences regarding policy. Third, multivariate regression models were estimated to identify the independent predictors of key outcomes, including technology adoption and support for formal recognition.

A logistic regression model was used to examine predictors of technology adoption, defined as reported use of digital tools in ROSCA management. An ordered logistic regression model was used to examine predictors of desire for government support and formal recognition, given the ordinal nature of the dependent variable. Both models controlled for age, education level, member trust, and rule fairness.

3.4. Pilot study

Prior to the main data collection phase, a pilot study was conducted to test the research instruments, validate the thematic framework, assess the feasibility of the concurrent mixed-methods design, and identify any refinements required before scaling to the full study. The pilot was conducted as a self-contained inquiry, generating preliminary empirical evidence across all five research themes whilst simultaneously serving its methodological purpose of instrument pre-testing and procedural refinement.

3.4.1. Design and participants

The pilot employed mixed-methods design as the main study, integrating a structured quantitative survey and semi-structured qualitative interviews. The quantitative component was administered via QuestionPro to **31 respondents** drawn from Black and minoritised communities in London, with a particular focus on the boroughs of Lambeth and Southwark. The qualitative component comprised 24 semi-structured interviews with current or former ROSCA participants. Participants were purposively selected across three community segments: local retailers and business owners, parents and carers, and members of religious communities. Qualitative data were analysed using NVivo and quantitative data using SPSS, consistent with the analytical approach adopted for the main study.

Demographically, the majority of survey respondents (66.1%) identified as Black African, Caribbean, or Black British, with further representation from White (13.6%), Asian/Asian British (11.9%), Mixed/Multiple ethnic groups (5.1%), and other (3.4%) backgrounds. Interview participants ranged in age from 31 to 60 years, were predominantly of Black African or Black British heritage, and were based primarily across London boroughs including Lewisham, Southwark, and Croydon, though a small number resided in other UK cities. They represented a broad range of professional backgrounds, including healthcare, education, project management, engineering, and social work.

3.4.2. Summary of key findings

The pilot generated findings across five thematic areas that corresponded directly to the research objectives of the main study.

Background and market structure. Contribution amounts varied widely, from £100 to £1,000 per member per month, with rotation frequencies ranging from weekly to monthly. Several participants reported managing multiple groups simultaneously, organised by contribution tier to serve distinct financial goals including household expenditure, property acquisition, and business investment. Groups typically comprised between six and twelve members, with participants expressing a clear preference for smaller cycles of six to twelve months to reduce risk and maintain manageability.

Comparison with formal financial mechanisms. A combined 45.1% of survey respondents agreed that ROSCA funds are more accessible than bank savings for their needs. Views on relative trust were more divided: 32.3% indicated they do not trust ROSCAs more than banks, 29.0% held a neutral position, and 29.0% agreed they do. Qualitative participants consistently highlighted the interest-free nature of ROSCAs, the absence of credit checks, and the flexibility to swap rotation positions as key comparative advantages over formal institutions.

Barriers and risks. In the survey, 38.7% of respondents expressed concern about risks such as fraud or default. Lack of trust was identified as the single largest barrier to participation (32.8% of responses), followed by financial risk (22.4%) and insufficient spare income (22.4%). Qualitative data highlighted default risk, delayed payments, and the operational burden on group organisers. Bank scrutiny emerged as a significant external pressure: several participants who coordinated group funds reported having accounts flagged or frozen due to the pattern of large recurring transfers characteristic of ROSCA activity.

Benefits. A combined 48.4% of survey respondents regarded ROSCAs as a reliable means of saving and borrowing, and the same proportion agreed that participation strengthened their sense of community connection. Qualitative participants categorised benefits into three areas: financial benefits (access to interest-free lump sums, early access flexibility, and freedom from credit assessments), social benefits (community bonding, peer accountability, and cultural belonging), and personal benefits (savings discipline and access to informal skills development within groups).

Formalisation requirements. Participants expressed both support and scepticism regarding formalisation. Supporters emphasised the potential for enhanced legal protection, institutional credibility, and reduced fraud risk. Sceptics were concerned that formalisation would introduce fees and interest charges, eroding the defining advantages of ROSCA participation. A combined 54.8% of survey respondents either disagreed or remained neutral on whether digital accessibility would increase their ROSCA participation, indicating measured rather than enthusiastic appetite for technological transformation at the pilot stage.

3.4.3. Implications for the main study

The pilot study validated the core thematic framework, confirming that the five research themes were coherent, analytically productive, and resonant with participants. The survey instrument performed effectively across both data collection modes, with no significant comprehension difficulties reported, and the NVivo and SPSS analytical pipelines proved appropriate for the scale and type of data generated. The concurrent mixed-methods design was confirmed as well-suited to the study's objectives, with qualitative data providing contextual depth that productively complemented the aggregate patterns visible in the quantitative data.

On the basis of pilot experience, several refinements were made to the main study design. Eligibility criteria were operationalised more explicitly to account for the terminological diversity of ROSCA practice, ensuring that participants whose groups operated under alternative cultural names were not inadvertently excluded. The geographic scope was broadened beyond Lambeth and Southwark to encompass a wider range of London communities and surrounding areas, reflecting feedback that ROSCA activity is distributed across a broader urban geography than the pilot boroughs alone. Most significantly, the sample targets were substantially enlarged from 31 to 311 survey respondents and from 24 to 61 interview participants. This strengthen the generalisability and analytical power of the findings and to enable the more robust multivariate modelling employed in the main study's quantitative analysis.

Section 4. Findings and discussion

4.1. Introduction to findings

This chapter presents the findings of the mixed-methods study on Rotating Savings and Credit Associations (ROSCAs) in London's Black and minoritised communities. Drawing on survey data from 311 respondents and in-depth interviews with 61 participants, the chapter addresses the four research objectives that guided the study. These include determining the market size, demographics, and structural landscape of ROSCAs in the UK. This is achieved by conducting a comparative analysis with analogous financial systems analysing operational mechanics and receptiveness to technological integration. Therefore, developing an evidence base for a policy framework to facilitate formal recognition of ROSCAs within the UK financial system.

The findings are organised into six substantive sections. Sections 4.2 to 4.5 address each research objective in turn, integrating quantitative and qualitative evidence within each section to produce a coherent, mixed-methods account. Each section begins with a brief overview of the relevant pilot study findings, which establish the thematic and empirical context for the main study results that follow. Section 4.6 identifies five cross-cutting themes that run through the dataset and bridge the four objectives. Section 4.7 provides a mixed-methods synthesis, examining points of convergence and divergence between the quantitative and qualitative strands, and drawing out the overarching implications for policy.

Throughout, participant quotations are used to evidence key claims and to preserve the meanings participants attached to ROSCA practice in their own terms. Quantitative findings are reported with relevant test statistics; tables are referenced at the appropriate points and appear in the order of discussion.

4.2. Who participates and how: the scale and structure of ROSCAs

This section presents evidence on the demographic profile of ROSCA participants, the structural features of the groups they belong to, and the patterns of participation that characterise ROSCA activity in the UK. Together, these findings address the first research objective: to determine the market size, demographics, and structural landscape of ROSCAs.

4.2.1. Pilot study overview

The pilot study comprises of 24 semi-structured interviews and a survey of 31 respondents drawn primarily from the London boroughs of Lambeth and Southwark. This establishes the demographic and structural landscape of ROSCA participation that were subsequently tested at greater scale in the main study. The pilot sample was predominantly of Black African, Caribbean, or Black British heritage (66.1%), with additional representation from White (13.6%), Asian/Asian British (11.9%), and Mixed/Multiple ethnic backgrounds (5.1%). Interview participants ranged in age from 31 to 60 years and represented a broad range of professional backgrounds including healthcare, education, engineering, and social work.

Structurally, the pilot found that contribution amounts varied widely, from £100 to £1,000 per member per month, with rotation frequencies ranging from weekly to monthly. Groups typically comprised between six and twelve members, and several participants reported managing multiple groups simultaneously, organised by contribution tier to serve distinct financial goals. These pilot findings directly shaped the design of the main study instruments, including the addition of a dedicated contribution amount question to the survey and the broadening of the geographic and demographic scope of recruitment.

4.2.2. Sample characteristics and demographics

The main study survey captured 311 responses, providing a large and demographically diverse dataset for analysis. The age profile of ROSCA participants is heavily concentrated among working-age adults (**Error! Reference source not found.**). The largest cohort is the 25–34 age group, representing 38.91% (121 respondents), followed by the 35–44 group at 27.97% (87 respondents). Together, these two age groups account for 66.88% of the sample. Participation drops sharply among older age groups: the 55–64 age group represents only 5.14% of respondents, and the 65+ group a marginal 0.96%. The 18–24 age group accounts for 7.07%, suggesting that ROSCA engagement tends to begin in early adulthood, often following entry into employment or migration to the UK.

Table 4: Age distribution of ROSCA participants (n=311)

Age Group	Frequency	Percentage (%)	Cumulative (%)
18–24	48	15.43	15.43
25–34	121	38.91	54.34
35–44	87	27.97	82.32
45–54	37	11.90	94.21
55–64	17	5.47	99.68
65+	1	0.32	100.00
Total	311	100.00	

Gender distribution is relatively balanced, with a slight female majority. Women represent 51.77% (161 respondents) and men 47.27% (147 respondents), with 0.97% identifying as non-binary or preferring not to say (**Error! Reference source not found.**5). This near-parity reflects wider evidence that ROSCAs are used and valued across genders, though the qualitative data reveal important gendered patterns in roles and motivations that are explored further in section 4.6.5.

Table 5: Gender distribution of ROSCA participants (n=311)

Gender	Frequency	Percentage (%)	Cumulative (%)
Male	147	47.27	47.27
Female	161	51.77	99.04
Non-binary	1	0.32	99.36
Prefer not to say	2	0.64	100.00
Total	311	100.00	

From the data, ethnicity data confirm that ROSCA participation within this sample is concentrated among Black and minoritised communities, with those identifying as Black, Black British, or African comprising 43.41% (135 respondents). When combined with Caribbean (3.86%) and Any other Black, Black British, or Caribbean background (19.29%), Black-heritage participants account for over 66% of the total sample (Table 66). This likely reflects the demographic reach of the survey and the networks through which it was distributed, rather than the relative size of ROSCA participation across ethnic groups in the wider population. Asian and Asian British participants represent a further significant proportion, particularly Sri Lankan Tamil and Indian communities, reflecting the deep cultural roots of equivalent practices (Seetu, Chit Fund) in South Asia.

Table 6: Ethnicity distribution of ROSCA participants (n=311)

Ethnicity	Frequency	Percentage (%)	Cumulative (%)
African	135	43.41	43.41
Caribbean	12	3.86	47.27
Any other Black/Black British/Caribbean	59	18.97	66.24
Indian	30	9.65	75.88
Pakistani	15	4.82	80.71
Bangladeshi	15	4.82	85.53
Chinese	12	3.86	89.39
Any other Asian background	21	6.75	96.14
Other/Mixed	12	3.86	100.00
Total	311	100.00	

The educational profile of the sample is notably high. An overwhelming 86.18% of respondents hold university-level qualifications, broken down into 46.95% with undergraduate degrees and 39.23% with postgraduate degrees (Table 7). Only a small fraction (under 3%) hold only Level 2 qualifications. This finding challenges any assumption that ROSCA participation is associated with low levels of formal education or financial unsophistication. Rather, it suggests that ROSCAs appeal to and serve educated professionals who choose them alongside or in preference to mainstream financial products.

Table 7: Education level of ROSCA participants (n=311)

Education Level	**Frequency**	**Percentage (%)**	**Cumulative (%)**
No formal qualifications	2	0.64	0.64
Level 2 (e.g., GCSEs)	6	1.93	2.57
Level 3 (e.g., A-Levels)	34	10.93	13.50
Vocational/Technical	1	0.32	13.83
Undergraduate degree (BA/BSc)	146	46.95	60.77
Postgraduate degree (MA/MSc/PhD)	122	39.23	100.00
Total	311	100.00	

Employment status is correspondingly high within ROSCA community from the data set with 67.20% of respondents indicated to be in full-time employment, 14.15% part-time, and 8.04% self-employed (Table 8). Only 3.22% are not currently employed. This profile is consistent with the contribution patterns observed in the data and reinforces the picture of ROSCAs as instruments that is also chosen by financially active adults rather than just those excluded from employment.

Table 8: Employment status of ROSCA participants (n=311)

Employment Status	Frequency	Percentage (%)	Cumulative (%)
Student	20	6.43	6.43
Employed full-time	209	67.20	73.63
Employed part-time	44	14.15	87.78
Self-employed	25	8.04	95.82
Not currently employed	10	3.22	99.04
Retired	3	0.96	100.00
Total	311	100.00	

4.2.3. ROSCA structural features and contribution patterns

The structural features of ROSCA groups in this sample reflect a broadly consistent model that balances meaningful payout size with manageable cycle length. From the Table 9, the most common group size is 6–10 members, representing 43.09% of respondents, followed by groups of 11–15 members (23.15%). Very small groups of 2–5 members account for 12.86%, while very large groups of more than 20 members are relatively rare (6.11%). This distribution is consistent with the qualitative finding that participants prefer smaller, more manageable groups as a risk-mitigation strategy.

Table 9: ROSCA group size distribution (n=311)

Group Size	Frequency	Percentage (%)	Cumulative (%)
2–5 members	49	15.76	15.76
6–10 members	134	43.09	58.84
11–15 members	72	23.15	81.99
16–20 members	28	9.00	91.00
More than 20 members	28	9.00	100.00

Total	311	100.00	

From the Table 1010, Contribution frequency is predominantly monthly, used by 78.14% (243 respondents) of the sample. Weekly contributions are reported by 8.36% and bi-weekly by 10.93%. The dominance of monthly cycles strongly suggests that ROSCA contributions are synchronised with salary payment cycles, confirming the integration of ROSCA obligations into household financial planning rather than their treatment as discretionary or irregular outgoings.

Table 10: Contribution frequency (n=311)

Contribution Frequency	Frequency	Percentage (%)	Cumulative (%)
Weekly	26	8.36	8.36
Every two weeks	34	10.93	19.29
Monthly	243	78.14	97.43
Other	8	2.57	100.00
Total	311	100.00	

Financial commitments within these groups are substantial. From the Table 11:, the most frequent individual contribution amount is between £51 and £100 per cycle (31.51%), but 46.88% of members contribute more than £100 per cycle, including 20.58% contributing between £251 and £500. Contributions of more than £500 per cycle are reported by a meaningful minority, indicating that ROSCAs are being used to pool and access significant sums, well beyond what is sometimes assumed about informal savings mechanisms.

Table 11: Contribution amount per cycle (n=311)

Contribution Amount	Frequency	Percentage (%)	Cumulative (%)
Under £50	70	22.51	22.51
£51–£100	98	31.51	54.02
£101–£250	60	19.29	73.31
£251–£500	64	20.58	93.89
More than £500	19	6.11	100.00
Total	311	100.00	

Three cross-tabulation analyses (Tables 12, 13 and 14) were conducted to examine associations between structural and demographic variables. First, there is a statistically significant relationship between age and contribution amount (Pearson $Chi^2 = 42.44$, $p = 0.0024$): younger members (18–24) are heavily clustered in the lowest contribution brackets, while members aged 35–44 show a broader distribution including higher contribution amounts, reflecting increased financial capacity with age and career progression. Second, the relationship between group size and contribution amount is marginally significant (Pearson $Chi^2 = 25.86$, $p = 0.0560$), with very large groups tending towards lower individual contributions. Third, no statistically significant relationship was found between education level and group size (Pearson $Chi^2 = 22.85$, $p = 0.2964$), indicating that group composition is driven by social and trust networks rather than by educational stratification.

Table 12: Cross-tabulation - Age vs. Contribution amount (Chi^2=42.44, p=0.0024)

Age Group	Under £50	£51–£100	£101–£250	£251–£500	>£500	Total
18–24	20 (41.67%)	18 (37.50%)	9 (18.75%)	1 (2.08%)	0 (0.00%)	48
25–34	27 (22.31%)	40 (33.06%)	22 (18.18%)	25 (20.66%)	7 (5.79%)	121
35–44	15 (17.24%)	22 (25.29%)	20 (22.99%)	22 (25.29%)	8 (9.20%)	87
45–54	5 (13.51%)	9 (24.32%)	5 (13.51%)	14 (37.84%)	4 (10.81%)	37
55–64	2 (11.76%)	9 (52.94%)	4 (23.53%)	2 (11.76%)	0 (0.00%)	17
65+	1 (100%)	0	0	0	0	1
Total	70	98	60	64	19	311

Table 13: Group size vs. Contribution amount (Chi^2=25.86, p=0.0560)

Group Size	Under £50	£51 - £100	£101 - £250	£251 - £500	More than £500	Total
2-5	22 (31.43)	12 (12.24)	5 (8.33)	8 (12.50)	2 (10.53)	49
6-10	22 (31.43)	43 (43.88)	26 (43.33)	32 (50.00)	11 (57.89)	134
11-15	12 (17.14)	25 (25.51)	20 (33.33)	11 (17.19)	4 (21.05)	72
16-20	7 (10.00)	8 (8.16)	6 (10.00)	6 (9.38)	1 (5.26)	28
More than 20	7 (10.00)	10 (10.20)	3 (5.00)	7 (10.94)	1 (5.26)	28
Total	70	98	60	64	19	311

Table 14: Cross-tabulation - Education level vs. Group size (Chi²=22.85, p=0.2964)]

Education level / Group size	2-5	6-10	11-15	16-20	More than 20	Total
No formal qualifications	0 (0)	2 (100)	0 (0)	0 (0)	0 (0)	2 (100)
Level 2 qualifications (e.g., GCSEs)	1 (16.67)	3 (50.00)	2 (33.33)	0 (0)	0 (0)	6 (100)
Level 3 qualifications (e.g., A-Levels)	3 (8.82)	15 (44.12)	8 (23.53)	5 (14.71)	3 (8.82)	34 (100)
Vocational/Technical qualification	0 (0)	0 (0)	0 (0)	0 (0)	1 (100)	1 (100)
Undergraduate degree (e.g., BA, BSc)	21 (14.38)	57 (39.04)	41 (28.08)	12 (8.22)	15 (10.27)	146 (100)
Postgraduate degree (e.g., MSc, PhD)	24 (19.67)	57 (46.72)	21 (17.21)	11 (9.02)	9 (7.38)	122 (100)
Total	49 (15.76)	134 (43.09)	72 (23.15)	28 (9.00)	28 (9.00)	311 (100)

4.2.4. Membership composition and trust ties

Trust in ROSCAs is built on pre-existing social ties rather than on formal mechanisms such as contracts or legal obligations. The data (in Table 15) show that friends or neighbours are the most common relationship basis (mean = 0.624, or 62.4% of groups), closely followed by family or relatives (51.4%). Connections based on shared cultural or national background are reported by approximately 35% of respondents, and faith or community group ties by 37.1%. Work colleagues are a less common but still notable basis for membership. The overlapping nature of these categories reflects the dense social networks within which ROSCA groups are embedded.

Table 15: Membership composition breakdown - Trust ties (n=311)

Variable	Obs	Mean	Std. Dev.	Min	Max
Family or Relatives	311	.514	.501	0	1
Friends or neighbours	311	.624	.485	0	1
Work colleagues	311	.199	.4	0	1
Members of a faith/community group	311	.27	.445	0	1
Same cultural/national background	311	.331	.471	0	1

4.2.5. Qualitative insights: participation patterns and motivations

The qualitative data richly contextualise the quantitative findings. ROSCA participation is almost always learned relationally, not through formal financial education or advertising. Participants repeatedly described seeing parents, relatives, or colleagues participate in

ROSCAs before they themselves joined, and many reported being recruited into their first group by someone they already trusted. This relational effect is analytically significant, it explains both the demographic concentration of ROSCA participation within specific communities and the trust-dependence that characterises group governance.

Naming varied by community and carried analytical weight. Nigerian and West African participants commonly referred to Ajo or Esusu; South Asian participants used Seetu or Chit Fund; Caribbean participants used “Box Hand” or “contribution.” These names signal both cultural specificity and functional equivalence, and the terminological diversity partly explains why ROSCAs have remained invisible to mainstream financial institutions and policymakers.

> *“Most of my colleagues do Ajo. When I first arrived in the UK, I was introduced to it a few months after arriving. We see it as a quick way to gather a lump sum. If there are 10 people each contributing £500 a month, that’s £5,000 available each month.”*
>
> *— Female participant, over 40*

The purposes of ROSCA participation were diverse and often highly pragmatic. Across the sample, ROSCAs were used for mortgage deposits, school fees, visa renewals, private rent or moving costs, weddings, home improvements, debt clearance, cars, and business start-up capital. This breadth demonstrates that ROSCAs are not narrow instruments but multi-purpose financial tools that fill gaps left by mainstream provision.

A particularly prominent theme was the disciplining function of ROSCAs. Many participants described the commitment to contribute as akin to a tax or a standing order that cannot be cancelled. This is a structural feature that protects members from their own impulse spending in ways that individual savings accounts do not.

> *“Ajo is my best method of saving. What makes it work for me is that it is an obligation. With a bank account, I can withdraw whenever I want, and I have done that when money was tight. With ajo, you cannot.”*
>
> *— 35–40 year old female Nigerian NHS worker*

> *“The discipline it creates is like tax. No matter how stretched I am, I make my contribution. A standing order or direct debit can be cancelled; this cannot.”*

— 42-year-old female Black African in full-time employment

4.2.6. Summary

ROSCA participation in this sample is concentrated among working-age, highly educated, predominantly Black African and South Asian adults in full or part-time employment. Groups are predominantly of moderate size (6–10 members), operate on monthly cycles synchronised with salary payments, and involve substantial financial commitments. Membership is rooted in pre-existing trust ties rather than formal recruitment. Qualitatively, ROSCAs are experienced not merely as financial instruments but as social contracts that impose valued discipline, create community cohesion, and serve a wide range of financial purposes across the life course. The quantitative and qualitative findings are mutually reinforcing that the survey data establish the scale and structural consistency of ROSCA participation. The interview data explain the relational logic and motivational depth that sustain it.

4.3. ROSCAs in the broader financial landscape

This section examines how ROSCAs compare with other financial systems available to participants, including banks, Credit Unions, Peer-to-Peer (P2P) lending, and Buy-Now-Pay-Later (BNPL) services. It also presents evidence on the barriers, risks, and vulnerabilities associated with ROSCA participation, and on the benefits that participants derive from membership.

4.3.1. Pilot study overview

The pilot study found a broadly divided picture on comparative trust. With 32.3% of pilot survey respondents indicated they did not trust ROSCAs more than banks, 29.0% held a neutral position, and 29.0% agreed they trusted ROSCAs more. A combined 45.1% agreed that ROSCA funds are more accessible than bank savings for their needs. These divided findings indicated that trust and accessibility perceptions are multi-dimensional and context-dependent. This informed the decision to introduce more attitudinal measurement in the main survey instrument, including a broadened comparison question that added financial benefits alongside trust and accessibility as dimensions of comparison.

4.3.2. Usage of alternative financial systems

A striking finding from the main study is that the majority of ROSCA participants are not financially excluded from formal systems. From Table 16, 54.34% of respondents report having used one or more alternative financial systems such as Credit Unions, P2P lending, or BNPL. A further 18.97% have considered using them. Only 26.69% of respondents engage exclusively with ROSCAs and no other formal or alternative financial product.

Table 16: Usage of other financial systems apart from ROSCAs (n=311)

Used alternative financial systems	Freq.	Percent	Cum.
No	83	26.69	26.69
Yes, I have used one or more	169	54.34	81.03
I have thought about them	59	18.97	100.00
Total	311	100.00	

Among the 192 respondents who engage with other systems, BNPL is overwhelmingly the most utilised service, adopted by 63.02% of this subgroup (Table 1717). Credit Unions follow at a distant second (13.54%). P2P lending, bank services, informal lending, and investment platforms are used by smaller minorities. The prominence of BNPL is notable: it represents a form of short-term credit that is structurally very different from the disciplined collective saving of ROSCAs, and participants were often sharply critical of it in the qualitative interviews.

Table 17: Specific usage of alternative financial systems (Among Users, n=192)

Financial System	Users (n=192)	Proportion (%)
Buy-Now-Pay-Later (BNPL)	121	63.02
Credit Union	26	13.54
Bank Services	22	11.46
Peer-to-Peer Lending	10	5.21
Credit Card	10	5.21
Informal Lending	5	2.60
Investment Lending	5	2.60

4.3.3. System preference and demographic patterns

When asked to compare ROSCAs with other systems in terms of trust, financial benefits, and accessibility, demographic factors did not significantly alter preferences. According to Table 18, neither age ($p = 0.5001$), gender ($p = 0.5847$), ethnicity ($p = 0.3034$), nor education level ($p = 0.4177$) produced statistically significant variation in system preference. This uniformity is itself a finding of note which suggests that ROSCA preference is not stratified by demographic characteristics within this community but represents a broadly shared orientation.

Table 18: Association between Demographics and System preference

Demographic Factor	Pearson Chi^2	p-value	Significant?
Age	14.34	0.5001	No
Gender	7.50	0.5847	No
Ethnicity	39.83	0.3034	No
Education Level	15.48	0.4177	No

From Table 19, a highly significant association was found, however, between having used other financial systems and preferring ROSCAs (Pearson $Chi^2 = 50.87$, $p = 0.0000$). Counterintuitively, individuals who have actually used other financial systems are more likely to rate ROSCAs as superior. This suggests that informed comparison reinforces rather than undermines ROSCA preference. It can be argued that participants who have direct experience of alternatives tend to conclude that ROSCAs offer distinct advantages that formal products do not replicate.

Table 19: System usage vs. ROSCA preference (Chi^2=50.87, p=0.0000)

Prior System Usage	ROSCAs Better	About the Same	Other Better	Not Sure	Total
No	27 (34.62%)	12 (15.38%)	6 (7.69%)	33 (42.31%)	78
Yes, used one or more	78 (46.99%)	50 (30.12%)	26 (15.66%)	12 (7.23%)	166
Considered them	17 (29.82%)	23 (40.35%)	8 (14.04%)	9 (15.79%)	57
Total	122 (40.53%)	85 (28.24%)	40 (13.29%)	54 (17.94%)	301

4.3.4. Barriers, Risks and Vulnerabilities

Alongside the comparative advantages of ROSCAs, the research identified a range of significant barriers, risks, and vulnerabilities that affect participants. These emerged primarily from the qualitative data, though the survey data also captured attitudinal dimensions.

The most frequently reported practical risk was "missed" or "delayed payments". These did not always arise from bad faith but from circumstances such as illness, job loss, forgetfulness, competing bills, and migration-related financial disruption.

> *"ROSCA is quite different from a savings account. With a savings account, you know your money is there every month. There is more security. With ROSCA, you are handing money to another person, and that person has to be trustworthy."*
>
> *— 29-year-old male Nigerian business analyst*

More severe risks involved outright fraud or disappearance. There were participants that recounted cases of organisers or members collecting their payout and then vanishing, leaving the group without legal recourse.

Bank suspicion and account disruption emerged as a major structural risk. In addition, multiple participants reported accounts being flagged, queried, frozen, or closed because of the pattern of multiple incoming transfers characteristic of ROSCA coordination. Specific examples included Revolut account closures and Lloyds Bank frozen accounts. This institutional risk operates as a significant deterrent to transparent ROSCA management and pushes activity further into informality, creating a counterproductive cycle. Furthermore, Housing and mortgage systems present a further vulnerability. Several participants used ROSCAs specifically to build deposits yet found the resulting lump sums difficult to use in mortgage applications. This is because banks could not trace the funds through conventional source-of-wealth documentation. Also, immigration status and transnational precarity added further complexity where some participants worried that members with uncertain immigration status could disappear mid-cycle. This leave financial and legal complications that informal governance structures were ill-equipped to resolve. The absence of legal recourse in all these scenarios was repeatedly noted as a fundamental gap.

4.3.5. Qualitative Insights: What Makes ROSCAs Distinct

Participants consistently compared ROSCAs favourably with formal financial products, identifying five defining characteristics. These includes interest-free access, no credit-history requirement, socially enforced discipline, flexibility in rotation positioning, and cultural and communal embeddedness. These features were not merely listed but experienced as philosophically distinct from the logic of mainstream finance.

> *"ROSCA is the premium option, for several reasons. First, it does not consider your formal financial history before granting access to credit. Instead, it considers your credibility within your community."*
>
> *— 40-year-old IT consultant in financial services*

> *"With a bank loan, you need a good credit score and you still have to repay with interest. Buy Now Pay Later sounds convenient, but it is not your money. With Seetu, you are saving your own money. When you collect, it's yours."*
>
> *— 45–55 year old male Asian, self-employed*

> *"The difference is that Chit is about saving. Everyone is thinking about saving. With Buy Now Pay Later, people spend without thinking. Chit makes you save and be disciplined with money."*
>
> *— 44-year-old female Asian*

Participants did not, however, reject formal finance wholesale. Many used current accounts, ISAs, Credit Unions, fintech savings apps, and investment platforms alongside ROSCAs. The key conceptual frame is complementarity where ROSCAs fill specific gaps that mainstream products do not address, particularly access to interest-free lump sums without credit checks or means-testing.

4.3.6. Summary

The comparative findings present a nuanced picture of financial behaviour within these communities. ROSCA participants are not financially excluded in the conventional sense but also engage with formal and alternative financial systems. Yet they persistently choose ROSCAs for specific purposes, and those with the most experience of alternative systems is the most strongly ROSCA-preferring. The qualitative data explain why ROSCAs offer a combination of interest-free access, social discipline, cultural coherence, and flexibility that formal products do not replicate. At the same time, significant vulnerabilities such as fraud risk, bank scrutiny, lack of legal protection, and the invisibility of ROSCA funds to mortgage lenders represent unaddressed gaps that policy intervention could help to close.

4.4. How ROSCAs Operate and Their Readiness for Digital Innovation

This section examines the operational mechanics of ROSCAs and assesses the community's receptiveness to technological integration. It covers current methods of payment, record-keeping, and communication; demographic patterns in technology adoption; regression modelling of adoption predictors; and participant perceptions of the benefits and risks of digital tools.

4.4.1. Pilot Study Overview

The pilot study indicated that participants were already digitally active but primarily through general-purpose rather than ROSCA-specific tools. WhatsApp dominated communication, and bank transfer was the primary payment method. Appetite for a dedicated ROSCA app was present, with concerns about data privacy and cost surfacing alongside enthusiasm. A combined 54.8% of pilot survey respondents either disagreed or remained neutral on whether digital accessibility would increase their participation, suggesting a cautious rather than unconditional openness to technology. These findings informed the decision to add dedicated questions on the specific benefits of and concerns about digital tools in the main interview guide.

4.4.2. Collection, distribution and record-Keeping

An overwhelming 81.0% of groups facilitate collections and distributions via bank transfer. Cash is still used by 28.3% of groups with multiple choices possible (Table 20). This reflect the persistence of in-person collection in some South Asian and older-member groups. Specialised mobile apps are currently used by a small minority, indicating that the shift to dedicated digital platforms is nascent rather than established.

Table 20: Collection and Distribution methods (n=311)

Method	Observations	Mean (Proportion)	Std. Dev.
Cash	311	0.283	0.451
Bank Transfer	311	0.810	0.393
Mobile Apps	311	0.109	0.313

Communication and record-keeping remain highly informal and socially driven. WhatsApp and other messaging apps are used by 72.7% of respondents as their primary communication tool, confirming what participants describe in interviews (Table 21). The group chat is both the administrative hub and the social fabric of ROSCA coordination. Online spreadsheets (e.g., Google Sheets) are used by a minority for payment tracking, while paper notebooks persist in some communities. A notable proportion report no formal record-keeping at all, which represents a significant governance gap and a source of disputes.

Table 21: Record-Keeping and Communication tools (n=311)

Tool	Observations	Mean (Proportion)	Std. Dev.
Paper notebooks	311	0.203	0.403
WhatsApp/messaging apps	311	0.727	0.446
Online spreadsheets/documents	311	0.441	0.497
No formal record-keeping	311	0.061	0.240

4.4.3. Technology adoption: demographic associations

The willingness to adopt digital tools designed specifically for ROSCAs varies significantly across demographic groups. Age is a strong predictor ($p = 0.0029$): younger users aged 18–34 show high current use or strong interest, whereas older demographics show marked resistance of 47.06% for ages 55–64 years old respondents (Table 22). This indicates outright rejection of digital tools for ROSCA management. Ethnicity ($p = 0.0085$), education level ($p = 0.0189$), and employment status ($p = 0.0268$) also showed statistically significant variation in technology adoption readiness. Gender, however, showed no significant difference ($p = 0.6771$), indicating that technology receptiveness cuts across gender lines within this community.

Table 22: Demographic associations with technology adoption readiness

Demographic Factor	Pearson Chi²	p-value	Significant?
Age	34.53	0.0029	Yes ***
Gender	6.62	0.6771	No
Ethnicity	59.35	0.0085	Yes ***
Education Level	28.46	0.0189	Yes **
Employment Status	27.25	0.0268	Yes **
** p < 0.10, ** p < 0.05, *** p < 0.01*			

4.4.4. Logistic regression: predictors of technology adoption

A logistic regression model was estimated to identify the independent predictors of technology adoption, defined as reported current use of or strong interest in digital tools for ROSCA management. From Table 23 and Table 24, the model confirmed age as a highly significant negative predictor of technology adoption (Coefficient = −0.397, $p = 0.001$). This means that for each unit increase in age category, the odds of adopting digital tools decrease significantly. Conversely, member trust emerged as a positive predictor. Groups characterised by high internal trust are more open to digital innovation, possibly because digitisation is perceived as a complement to rather than a replacement for existing social governance. The model achieved a Pseudo $R^2 = 0.036$ ($Chi^2 = 12.385$, $p = 0.006$), indicating a statistically significant fit (Table 2323 and Table 24).

Table 23: Logistic regression: predictors of technology adoption (Pseudo R^2=0.036, n=311, Chi^2=12.385)

Predictor	Coefficient	Std. Error	t-value	p-value	Significance
Age	-0.397	0.124	-3.20	0.001	***
Education Level	0.013	0.128	0.10	0.922	—
Member Trust	0.285	0.167	1.71	0.087	*
Constant	1.025	0.898	1.14	0.254	—
** p < 0.10, ** p < 0.05, *** p < 0.01*					

Table 24: Logistic regression: Odds ratios (Pseudo R^2=0.036, n=311, Chi^2=12.385)

Predictor	Coefficient	Std. Error	t-value	p-value	Significance
Age	.672	.083	-3.20	.001	***
Education Level	1.013	.13	0.10	.922	—

Member Trust	1.33	.222	1.71	.087	*
Constant	2.787	2.502	1.14	.254	—
** p < 0.10, ** p < 0.05, *** p < 0.01*					

These findings have direct design implications for any ROSCA-facing digital platform. Implication such as adoption broadly, ROSCA tools must be accessible and appealing to older users, not only to the digitally confident younger cohort. Products that are overly complex or that undermine the social dimension of ROSCA governance are likely to face resistance from the demographic segments most in need of formalisation benefits.

4.4.5. Perceived technological benefits and barriers

When asked what technology could do to improve ROSCAs, the overwhelming priority among respondents is administrative ease. Easier tracking and reminders are the most desired feature, cited by 76.2% of respondents (Table 25). Enhancing the security of transfers is prioritised by 63.3%, reflecting the fraud and default risks identified under objective two. Reducing errors and improving communication are also valued, though at somewhat lower rates.

Table 25: Perceived technological benefits (n=311)

Perceived Benefit	Observations	Mean (Proportion)	Std. Dev.
Easier tracking and reminders	311	0.762	0.427
Safer transfers	311	0.550	0.498
Fewer errors	311	0.428	0.496
Better communication	311	0.543	0.499

Despite this interest, significant barriers to adoption exist. Privacy and data protection is the primary concern for 60.1% of respondents (Table 2626). This figure reflects that the informal and, in some cases, legally sensitive nature of ROSCA activity are a barrier. Cost and fees are a major deterrent for 53.4%, directly threating the zero-cost ethos that makes ROSCAs attractive. Difficulty using technology and fear of losing personal connection are also cited.

Table 26: Technological concerns and barriers (n=311)

Concern/Barrier	Observations	Mean (Proportion)	Std. Dev.
Privacy/data protection	311	0.601	0.490
Cost/fees	311	0.534	0.500
Security/trust issues with platforms	311	0.524	0.500
Losing personal connection	311	0.215	0.412
Difficulty using technology	311	0.071	0.257

4.4.6. Qualitative insights: digital innovation appetite

The qualitative findings confirm and deepen the quantitative picture. Participants are already digitally active using WhatsApp, banking apps, spreadsheets, and social media as part of their ROSCA practice. However, through general-purpose rather than ROSCA-specific platforms. There was strong appetite for a dedicated ROSCA application, especially among participants who had experienced administrative burdens, disputes, or bank scrutiny. Desired features clustered around five functional areas. These include automated payment reminders, transparent payment tracking and audit trails; direct debit or standing order integration; identity verification (KYC and DBS checks); and the generation of contribution histories that could be used in mortgage or credit applications.

> *"A dedicated ROSCA app would be very useful. It could send automated reminders to all members ahead of payment dates, include a chat function for community interaction, and integrate a payment tracker so everyone can see who has paid and who hasn't."*
>
> *— 35-year-old male Black African from Nigeria*

> *"ROSCAs should be run like fintech businesses. A proper digital platform with KYC verification, documentation, and collateral requirements would significantly improve transparency and reduce fraud."*
>
> *— 35–40 year old female participant*

> *"The first requirement is that the platform must be approved and certified by the Financial Conduct Authority (FCA). Once that authorisation is in place, people would feel confident using it."*
>
> *— Asian British/Indian male business owner*

Concerns about digitalisation were, however, also clearly articulated. Participants raised data privacy, cybersecurity, cost, the risk of accidental overdrafts through auto-debit, excessive regulation, and the fear that technology. Participants believe that these would erode the social intimacy and cultural character of ROSCA practice. The message from the qualitative data is consistent with the quantitative findings. The digital tools are welcome when they serve community governance and reduce administrative burden, but not when they replace community control with algorithmic management.

4.4.7. Summary

The operational and technological findings reveal a community that is already deeply integrated with digital payments and communication but has not yet migrated to ROSCA-specific platforms. The logistic regression confirms that age is the dominant predictor of technology adoption, with older members significantly less likely to adopt digital tools. Trust within the group, however, is a positive predictor. High-trust groups are more open to innovation. The qualitative data identify a clear and specific set of desired features for any ROSCA platform, centred on administrative automation, transparency, identity verification, and FCA approval. Privacy, cost, and the preservation of community governance are the primary design constraints that any successful platform must address.

4.5. Towards formal recognition: a policy framework for ROSCAs

This section presents the evidence base for a policy framework to facilitate formal recognition of ROSCAs within the UK financial system. It examines who supports government recognition and why. Also, what risks participants associate with formalisation, which policy approaches are preferred, the relationship between trust and recognition, and the specific case for linking ROSCA participation to credit scoring and financial inclusion mechanisms.

4.5.1. Pilot study overview

The pilot study revealed a mixed but generally cautious orientation toward formalisation. A combined 54.8% of pilot survey respondents either disagreed or remained neutral on whether digital accessibility would increase their ROSCA participation. Qualitative pilot participants expressed both support and scepticism. Supporters emphasised enhanced legal protection and credibility, while sceptics feared that formalisation would introduce fees and interest charges, eroding the defining advantages of ROSCAs. These tensions were directly incorporated into the main study's policy questions, which were designed to differentiate between recognition, regulation, and digitalisation as distinct policy levers.

4.5.2. Predictors of desire for government support

An ordered logistic regression model was estimated to identify the demographic and attitudinal predictors of desire for government or institutional recognition of ROSCAs. The model achieved a Pseudo $R^2 = 0.056$ ($Chi^2 = 46.216$, $p = 0.000$), indicating a strong and statistically significant fit (Table 27 and Table 28).

From Table 27, age ($p = 0.008$) and education level ($p = 0.006$) are strong positive predictors. This indicate that older and more highly educated members are more supportive of formal policy backing. This is counterintuitive relative to the technology adoption findings, where older members were the most resistant to digital tools. It suggests a distinction between two dimensions of formalisation, older, more experienced participants want the legal protection and institutional recognition that formalisation offers, while being cautious about the technological dimension of that transition.

Most significantly, member trust is a highly significant positive predictor of desire for government support ($p = 0.001$). This finding reveals an important dynamic as it is the most internally cohesive and trusting groups. For those whose social governance is already functioning well, they are most eager for external legitimation. Formalisation is sought not as a substitute for community governance but as a complement to it. This is a way of extending the protections and recognition that tight-knit groups have generated internally into the broader financial and legal system.

Table 27: Ordered logit: predictors of desire for government support (R^2=0.056, n=311, Chi^2=46.216, p = 0.000)

Predictor	Coefficient	Std. Error	t-value	p-value	Significance
Age	0.264	0.1	2.64	0.008	***
Education Level	0.274	0.1	2.73	0.006	***

Member Trust	0.580	0.178	3.25	0.001	***
Rule Fairness	0.158	0.192	0.82	0.411	—
$^{*}p < 0.10$, $^{**}p < 0.05$, $^{***}p < 0.01$					

Table 28: Ordered logit - Odds ratios (R^2=0.056, n=311, Chi^2=46.216, p = 0.000)

Predictor	Coefficient	Std. Error	t-value	p-value	Significance
Age	1.303	0.13	2.64	0.008	Age
Education Level	1.315	0.132	2.73	0.006	Education Level
Member Trust	1.785	0.319	3.25	0.001	Member Trust
Rule Fairness	1.171	0.225	0.82	0.411	Rule Fairness
$^{*}p < 0.10$, $^{**}p < 0.05$, $^{***}p < 0.01$					

4.5.3. Perceived risks of formalisation

While support for recognition exists, there is deep scepticism regarding formal regulation. According to Table 29, outside interference is viewed as the greatest risk by 63.3% of respondents. This is coupled with fears of more paperwork or administrative costs (reported by a substantial minority), and concern about the loss of the flexibility and trust-based character that makes ROSCAs valuable.

Table 29: Perceived risks of formalisation (n=311)

Perceived Risk	Observations	Mean (Proportion)	Std. Dev.
Outside interference	311	0.633	0.483
More paperwork or costs	311	0.559	0.497
Loss of flexibility/trust	311	0.498	0.501
None (no risks perceived)	311	0.058	0.234

The correlation analysis reveals important tensions between policy approaches and perceived risks. From the Table 30, those who fear outside interference show a statistically significant positive correlation with preferring community partnerships as the preferred policy mechanism ($p < 0.01$). This suggests that the community is not really opposed to policy engagement but strongly prefers engagement that operates through trusted community structures rather than through direct regulatory intervention.

Table 30: Correlation: Perceived risks vs. Preferred policy approaches

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(1) Loss of flexibility/trust	1.000							
(2) More paperwork or costs	0.017	1.000						
(3) Outside interference	-0.016	0.078	1.000					
(4) None	-0.220*	-0.252*	-0.326*	1.000				
(5) Awareness and education	0.272*	0.001	0.094	-0.032	1.000			
(6) Support from local councils	0.029	-0.004	0.071	-0.031	0.137*	1.000		
(7) Recognition by banks	-0.074	0.020	-0.020	0.106	-0.031	0.075	1.000	
(8) Community partnerships	0.095	0.101	0.251*	-0.033	0.121*	0.068	0.170*	1.000
*** p<0.01, ** p<0.05, * p<0.1								

4.5.4. Preferred policy approaches

When asked how policy and decision-makers should approach the recognition of ROSCAs, awareness and education is the most preferred route, cited by 67.2% of respondents (Table 31). This finding underscores that the community's primary need is not regulation but understanding. It wants banks, financial institutions, and government bodies to know what ROSCAs are, how they work, and why they matter.

Notably, recognition by banks is supported by 56.6% of respondents, suggesting that users want their informal credit histories as ROSCA contributors to be acknowledged by the banking sector. Community partnerships are preferred by a substantial proportion, consistent with the resistance to direct external regulation observed elsewhere in the data.

Table 31: Preferred policy approaches for ROSCA acceptance (n=311)

Policy Approach	Observations	Mean (Proportion)	Std. Dev.
Awareness and education	311	0.672	0.470
Recognition by banks	311	0.566	0.496
Support from local councils	311	0.450	0.498
Community partnerships	311	0.399	0.490

4.5.5. Member trust and support for formal recognition

The cross-tabulation of member trust against support for formal recognition reinforces the ordered logit finding. A vast majority of those who strongly agree (70.24%) or agree (68.46%) that they trust their ROSCA members also support formal recognition (Table 32). The Pearson Chi² for this association is 10.42 ($p = 0.2366$), which does not reach conventional significance thresholds at the bivariate level. However, the underlying directional trend confirmed as significant in the multivariate ordered logit is clear and consistent.

Table 32: Member trust vs. Support for formal recognition (Chi²=10.42, p=0.2366)

Member Trust Level	No Support	Neutral	Support Recognition	Total
Strongly Disagree	1 (33.33%)	1 (33.33%)	1 (33.33%)	3
Disagree	0 (0.00%)	3 (50.00%)	3 (50.00%)	6
Neutral	6 (8.70%)	44 (63.77%)	19 (27.54%)	69
Agree	8 (5.37%)	102 (68.46%)	39 (26.17%)	149
Strongly Agree	10 (11.90%)	59 (70.24%)	15 (17.86%)	84
Total	25 (8.04%)	209 (67.20%)	77 (24.76%)	311

4.5.6. Credit scoring, financial inclusion and ROSCA recognition

One of the most analytically significant findings across both strands concerns the relationship between ROSCA participation and formal credit assessment. Participants were asked how they would feel if their ROSCA participation and savings history were used to calculate their official credit score. The majority response was strongly supportive, with many framing the question in terms of a basic issue of fairness. They believe ROSCA validate financial discipline through saving, planning, and meeting regular financial obligations, yet this activity generates no formal credit record.

> *"If people know their ROSCA participation will count towards their credit score, they will be more diligent. It would make people sit up and take it seriously."*
>
> *— 54-year-old female Black British baker*

> *"Recognise ROSCA as a legitimate financial activity. The discipline and commitment it requires are at least as rigorous as any formal savings product. If ROSCA participation*

> *were recognised in credit scoring, it would directly improve the financial standing of thousands of people."*
>
> *— Late-30s Nigerian software engineer*

A second group was cautiously supportive. They welcomed recognition but worried about implementation. Whether missed payments in difficult months would unfairly penalise participants, whether the system would be gameable, and whether data sharing with credit reference agencies could expose group members to unwanted institutional scrutiny.

The wider significance of this finding is that ROSCAs represent a form of invisible savings. Participants are engaging in disciplined, consistent, and often substantial financial activity that is entirely absent from the formal data systems. While this data system determine access to credit, mortgages, and financial products. The invisibility of this activity to mainstream institutions is not an accident. It is a structural consequence of the absence of policy recognition. Correcting it through an opt-in credit-referencing mechanism would have direct, measurable benefits for financial inclusion.

Participants also reported concrete institutional barriers that compound the invisibility problem. Accounts being flagged, queried, frozen, or closed because of multiple incoming transfers represent a serious operational risk that discourages transparency and pushes ROSCA activity further underground.

> *"The most important thing is for banks to accept ROSCA transactions as evidence of financial capacity. If a bank sees £24,000 coming into an account from a ROSCA coordinator, they should be able to verify this against documented group membership and recognise it as disciplined saving, not suspicious activity."*
>
> *— Male civil engineer originally from Africa*

4.5.7. Qualitative insights: regulation, government and technology

Participants' policy recommendations cluster around four domains.

Banking sector

This was the strongest area of consensus. Participants want banks to educate frontline staff about ROSCAs. Participants believe this will stop automatically flagging pooled transfers as suspicious, provide dedicated or ring-fenced ROSCA-friendly account products, and accept documented ROSCA contribution histories as evidence of savings capacity in mortgage and credit applications. The banking dimension is experienced as the most immediate and damaging point of friction between ROSCA practice and the formal financial system.

> *"If the government formally recognised thrift clubs and cooperative savings as a legitimate financial practice, banks would follow, because banks operate within government regulation. That policy change would make an enormous difference."*
>
> *— 42-year-old female Black African*

Regulation

Most participants did not ask for heavy-handed control. They preferred light-touch registration, a basic legal framework that provides protection against fraud without imposing bureaucratic burdens, and optional compliance mechanisms. This would deter bad actors without dismantling community trust. The preferred model is closer to voluntary registration with minimum documentation standards than to FCA authorisation.

Government recognition

Respondents wanted formal acknowledgement of ROSCAs as legitimate savings and credit mechanisms, legal clarity on status, reassurance about tax treatment, and public awareness campaigns. This will normalise ROSCA activity within the financial inclusion discourse. Many participants expressed frustration that the UK's financial inclusion strategies had consistently overlooked a mechanism that was already serving hundreds of thousands of people in the communities those strategies were designed to help.

Technology

There was strong support for dedicated digital platforms that could automate reminders, enable direct debit integration, verify identities, create transaction histories, and produce evidence suitable for use in credit or mortgage applications. The consistent proviso was FCA approval. Without regulatory endorsement, participants were reluctant to trust a platform with their financial and personal data.

4.5.8. Summary

Support for formal recognition is strongest among older, more educated members and those in high-trust groups. This is exactly the segments best placed to pioneer and demonstrate responsible ROSCA governance. Risks of formalisation are real but manageable. They centre on the fear of losing community autonomy and the zero-cost character of ROSCAs, rather than on opposition to recognition itself. The preferred policy path is through awareness, education, bank recognition and with light regulation. The credit scoring finding presents one of the most concrete and targeted opportunities for policy impact. This opt-in mechanism should link ROSCA contribution histories to credit reference data that would directly address the invisibility of this community's financial activity. This will improve access to mainstream financial products for a population that has consistently been underserved.

4.6. Cross-cutting themes

Five cross-cutting themes run through both strands of the dataset, bridging the four research objectives and providing an integrated interpretive framework for the findings.

4.6.1. Trust as foundational currency

Trust is the foundational currency of ROSCAs. Money circulates because reputation circulates. Trust is produced through social proximity, repeated interaction, and selective membership, not blind optimism. Trust is social verified confidence built through kinship ties, occupational networks, faith communities, and guarantor systems. The quantitative data confirm this structurally. From Table 15, 62.4% of groups are built on friendship or neighbour relationships, and 51.4% on family ties. The qualitative data explain what this means in practice. Members vet new entrants, require introductions from existing members who take personal responsibility for the newcomer, and maintain social sanctions, as the primary enforcement mechanism.

> *"ROSCA starts from community, from people you know and trust, and it gives you quick access to money when you need it most, without queuing, without long waits, and without interest."*
>
> *— Over 40 male Nigerian software test analyst*

The ordered logit regression finding that member trust is a significant positive predictor of desire for government support ($p = 0.001$) adds a further dimension to this theme (Table 27). The groups that function best on the basis of trust are the most confident in seeking formal recognition. Trust is not only the mechanism that makes ROSCAs work, it is also the foundation from which formalisation can be safely built.

4.6.2. ROSCAs as a response to financial exclusion

ROSCAs are not a symptom of financial naivety or a refusal of modern finance. They are a rational, sophisticated response to the specific patterns of financial exclusion that Black and minoritised communities in the UK have consistently faced. The credit systems do not recognise community-based financial history, have mortgage processes that are hostile to non-standard fund sources, banking relationships characterised by suspicion rather than partnership, and financial products that do not accommodate cultural values.

The finding that 54.34% of ROSCA participants also use formal financial systems confirms that the choice is not binary (Table 16). Participants are sophisticated navigators of a financial landscape that does not fully serve them, using ROSCAs to fill specific gaps that formal products leave open. The highly significant association between prior formal system use and ROSCA preference ($Chi^2 = 50.87$, $p = 0.0000$) powerfully confirms this: it is precisely those with most experience of both systems who most strongly endorse ROSCAs (Table 1919).

> *"Ajo has several advantages over those alternatives. First, it builds genuine community. When people come together around a shared financial goal, it naturally creates bonds, friendships, and mutual support that go beyond money."*
>
> *— Late-30s male Nigerian software engineer*

4.6.3. Discipline as core value

Discipline is as important as access in explaining ROSCA appeal. ROSCAs are valued because they convert fragile savings intention into collective obligation. Once a commitment is made to the group, it is significantly harder to abandon than a solo savings decision. This behavioural mechanism is confirmed quantitatively by the high proportion of respondents contributing more than £100 per month. This amounts that would be difficult to sustain without the social contract structure and qualitatively by frequency and intensity. Participants described the disciplining function as one of their primary reasons for participation.

> *"ROSCA is about discipline and building money. The other options are tools for spending or borrowing. Credit cards, Buy Now Pay Later, and credit unions help you access money you do not yet have. ROSCA helps you save the money you do have."*
>
> *— 35-year-old male Nigerian construction manager*

4.6.4. Formalisation: desired and feared

Formalisation is simultaneously desired and feared. Participants want recognition, protection, and legibility. They want banks to understand them, courts to protect them, and policymakers to include them. But they do not want bureaucratic capture, the introduction of interest or fees, or the loss of the cultural autonomy and community control that make ROSCAs work. The quantitative data capture this tension precisely. While a majority support government recognition, 63.3% identify outside interference as the greatest risk of formalisation, and community partnerships are the preferred policy mechanism for those most wary of direct regulation (Table 29). The policy challenge is to design a recognition framework that delivers the benefits of formalisation without the costs.

4.6.5. Gender dimensions

The gender evidence suggests more convergence than divergence, but several important patterns merit attention. The quantitative data show a near-balanced gender split (51.77% female, 47.27% male), confirming that ROSCA participation is not a gendered practice within this community (**Error! Reference source not found.**). Both male and female participants described ROSCAs as legitimate, valuable, and often indispensable, and used them for overlapping purposes such as housing, education, emergencies, and family obligations.

The qualitative data reveal some important structural asymmetries. Women appear prominently in coordination and administrative labour. Female respondents frequently described setting up groups, managing rotas, sending reminders, vetting members, and handling disputes, often without formal recognition of this organisational contribution. Contribution levels among men were somewhat higher on average, driven in part by several high-value male-led groups, but women were heavily represented in mid- to high-value schemes. Motivations overlapped substantially but with some variation. Female respondents more often articulated ROSCAs in relation to family budgeting, children's education, and household security. However, male respondents are more often emphasised business investment and asset acquisition.

Attitudes to formalisation and technology were broadly similar across genders. Both women and men supported greater transparency and expressed frustration with bank scrutiny. Any future ROSCA policy or platform design should, however, explicitly recognise the disproportionate administrative labour currently performed by women and design accordingly.

> *"The appeal was straightforward: if you need a lump sum, say £5,000, saving that amount alone takes a long time. But if you pool with a group of people you trust, you can access that amount much sooner."*
>
> *— 49-year-old female Nigerian mental health nurse*

4.6.6. Intergenerational and transnational continuity

ROSCAs are intergenerational and transnational institutions. They move with migrants, adapt to the UK context, and continue to finance obligations that stretch across borders, households, and life stages. Participants described learning about ROSCAs from parents and grandparents, and several intended to introduce their own children to the practice. The presence in the qualitative sample of participants ranging from their late 20s to a 90-year-old respondent, illustrates the intergenerational durability of these institutions.

The transnational dimension is equally significant. ROSCAs are used to send remittances, fund family events in countries of origin, meet visa or migration-related costs, and maintain cultural and economic ties across borders. This transnational function makes ROSCA activity particularly difficult for UK banks to interpret under standard AML monitoring frameworks, contributing to the account-flagging problem identified across the dataset.

4.7. Mixed-Methods synthesis and triangulation

This section brings together the quantitative and qualitative data to identify points of convergence, productive divergence, and the overarching findings that emerge from their integration.

4.7.1. Points of convergence

Across all four objectives, the two evidence converge strongly on several core findings. First, trust is the central organising principle of ROSCA participation. The survey data confirm that 62.4% (Table 15) of groups are built on friendship ties and 51.4% (Table 15) on family relationships. On the other hand, the qualitative data explain in detail how trust is produced, maintained, and enforced through social mechanisms. Second, age is consistently the most significant demographic predictor of behaviour. Younger members contribute less but are more technology-receptive, while older members are more supportive of formalisation and government recognition but more resistant to digital tools. Third, monthly contribution cycles synchronised with salary payments are confirmed as the dominant pattern across both strands, reflecting the integration of ROSCA obligations into household financial management. Fourth, the specific risks of fraud, missed payments, and bank account scrutiny are confirmed across both strands, with the qualitative data providing the institutional detail that the survey data can only approximate.

4.7.2. Points of productive divergence

Two productive divergences between the strands merit attention. First, the survey data show that 54.34% of respondents also use formal financial systems (Table 16). This finding might suggest that there is comfortable integration with mainstream finance. The qualitative data complicate this. Participants describe their relationship with formal finance as frequently adversarial (bank scrutiny, account closures, mortgage rejections) and use ROSCAs precisely because formal systems fail them in specific ways. The quantitative finding of complementarity coexists with the qualitative finding of exclusion. Both are true, and a policy framework that addresses only one would be incomplete.

Second, the survey finds a positive and significant association between having used other financial systems and preferring ROSCAs. The qualitative data explain the mechanism: direct comparison through personal experience reveals the specific advantages of ROSCAs that are invisible or counterintuitive to those without that comparative experience. This finding has implications for financial education and awareness. Exposure to ROSCAs is itself a powerful argument for their recognition.

4.7.3. Overarching policy message

The overarching message from the integrated findings is one of recognition, not regulation. ROSCAs are not marginal or residual practices awaiting replacement by formal finance. They are resilient, adaptive, and community-centred financial institutions that are actively serving hundreds of thousands of people in the UK who are predominantly from Black and minoritised communities in ways that mainstream finance does not. The research has also revealed a striking paradox: ROSCAs help participants build real financial discipline and savings capacity, yet that same activity remains invisible or suspicious to the formal institutions that assess creditworthiness and financial inclusion.

The policy challenge is not to formalise ROSCAs in ways that destroy what makes them work. It is to design recognition systems that preserve community control while reducing preventable risk and extending legal protection. In addition, make visible the financial activity of communities that have for too long been excluded from the formal record of the UK's financial life.

> *"I would say that ROSCA is not just about money. It is about community, contribution, and collective relief. It is cooperative. It is people of like mind coming together to do good for individuals and for the group."*
>
> *— 41–45 year old male Nigerian*

Section 5. Conclusion and Implications

5.1. Conclusion

This research set out to examine the scale, structure, and significance of Rotating Savings and Credit Associations (ROSCAs) within Black and minoritised communities in London. It pursued four interconnected objectives: to determine the market size and demographic landscape of ROSCA participation in the UK; to conduct a comparative analysis with analogous financial systems globally; to analyse operational mechanics and receptiveness to technological integration; and to develop an evidence base for a policy framework that supports formal recognition of ROSCAs within the UK financial system. The findings, drawn from a survey of 311 respondents and in-depth interviews with 61 participants, provide a detailed and empirically grounded account of these objectives.

The study confirms that ROSCAs are active, widespread, and financially significant. The sample captures participation across a broad demographic range, with the largest cohort being adults aged 25 to 44, who together represent over 66% of respondents. The educational profile of participants is notably high, with 86.18% holding university-level qualifications. These finding challenges assumptions that ROSCA participation is linked to financial exclusion or low educational attainment. Rather, it points to ROSCAs as instruments of informed financial choice, used by educated professionals who value their social, cultural, and functional advantages.

Trust emerged as the central organising principle across all sections of the study. Over 62% of groups are built on friendship networks and over 51% on family ties. The qualitative evidence explains precisely how trust is produced, maintained, and enforced through social mechanisms that formal financial institutions cannot easily replicate. This finding has direct implications for how regulators and policymakers should approach ROSCA governance. Attempts to impose external enforcement mechanisms risk undermining the very trust infrastructure that makes these groups work.

Age is the strongest demographic predictor of behaviour within the dataset, with a significance value of $p = 0.0029$. Younger participants aged 18 to 34 show higher current use and greater openness to digital tools, while older participants display more resistance to technology and greater support for formal recognition. This generational divide is not simply about technological comfort. It reflects deeper differences in how participants relate to formal institutions, which they have experienced in different ways over time.

The operational structure of ROSCAs in this sample is consistent and deliberate. Monthly contribution cycles, used by 78.14% of respondents, are synchronised with salary payment patterns. Group sizes of six to ten members are the most common, reflecting a preference for intimacy and manageability as a risk-mitigation strategy. Financial commitments are substantial, with nearly half of respondents contributing more than £100 per cycle and over 20% contributing between £251 and £500. These figures make clear that ROSCAs are not marginal or supplementary activities. They are a core component of household financial planning for many participants.

The research also reveals a persistent paradox. ROSCAs cultivate real financial discipline and savings capacity, yet the same activity is frequently invisible or suspicious to the formal institutions that assess creditworthiness. Participants reported bank account scrutiny, account closures, and mortgage rejections linked to ROSCA-related transactions. This paradox represents both an injustice and a policy failure. Communities that are already underserved by mainstream finance face additional penalties for using a viable and culturally rooted alternative.

The transnational dimension of ROSCA activity adds further complexity. Participants described using ROSCAs to fund remittances, family events in countries of origin, visa-related costs, and broader obligations that stretch across borders. This makes ROSCA transactions particularly difficult for UK banks to interpret under standard anti-money laundering monitoring frameworks. The account-flagging problem is therefore not incidental. It is structural, and it requires a structural response.

The overarching conclusion of this study is that ROSCAs deserve recognition, not regulation for its own sake. They are resilient, adaptive, and community-centred financial institutions that serve hundreds of thousands of people in the UK, predominantly from Black and minoritised communities, in ways that mainstream finance does not. The challenge for policymakers is to design recognition frameworks that preserve community control, reduce preventable financial risk, extend legal protection, and make visible the financial activity of communities that have for too long remained outside the formal record of the UK's financial life.

5.2. Implications to theory

The findings of this study contribute to and challenge a number of theoretical frameworks that have informed the study of informal finance, financial exclusion, and community economic behaviour.

5.2.1. Social capital theory

Social capital theory, most associated with the work of Putnam (2000) and Coleman (1988), holds that networks of social relations generate trust, norms of reciprocity, and shared resources that have real economic value. This study provides strong empirical support for that thesis in the context of informal finance. The centrality of trust in ROSCA participation, evidenced both quantitatively and qualitatively, confirms that social capital is not merely a background condition but the active mechanism through which ROSCAs function. Participants do not simply rely on personal relationships to reduce the risk of default; they actively invest in those relationships as a precondition of participation.

The study also extends social capital theory by demonstrating its intergenerational durability. Participants described learning about ROSCAs from parents and grandparents, and several expressed an intention to introduce their own children to the practice. This intergenerational transmission suggests that social capital, in this context, is not simply inherited but actively reproduced through cultural socialisation. Future theoretical work should examine how social capital is maintained and transferred across generations in diaspora communities, where the original cultural context has been partially displaced.

5.2.2. Financial exclusion and the limits of mainstream finance

Financial exclusion theory has tended to frame informal financial practices as responses to the absence or inadequacy of formal financial services (Leyshon and Thrift, 1995; Kempson and Whyley, 1999). This study complicates that framing in an important way. The majority of participants in this sample also use formal financial systems (54.34%), suggesting that the relationship between informal and formal finance is not one of substitution but of complementarity. However, the qualitative data make clear that this complementarity is frequently experienced as adversarial. Participants use ROSCAs not because they cannot access formal finance, but because formal finance fails them in specific and recurring ways.

This finding calls for a more nuanced theoretical model that distinguishes between structural exclusion (lack of access) and functional exclusion (access that does not meet need). Many ROSCA participants are formally included in the banking system but functionally excluded from its benefits in areas such as credit assessment, mortgage affordability, and anti-money laundering treatment. Theory that conflates these two forms of exclusion will misdiagnose the problem and generate inappropriate policy responses.

5.2.3. Institutional theory and informal governance

Institutional theory, drawing on North (1990) and Ostrom (1990), offers a useful framework for understanding how informal institutions develop their own rules, norms, and enforcement mechanisms in the absence of formal legal structures. This study demonstrates that ROSCAs are precisely such institutions. They operate through internally generated governance structures, social sanctioning mechanisms, and flexible but binding rules that are understood and respected by members. The qualitative evidence reveals that these governance structures are sophisticated and contextually adaptive, varying across communities and cultures while retaining a consistent underlying logic.

Ostrom's work on common pool resources is particularly relevant here. Her argument that communities are capable of governing shared resources effectively without recourse to external regulation or privatisation applies directly to the ROSCA model. The findings of this study suggest that the conditions Ostrom identified as conducive to successful selfgovernance, including clearly defined boundaries, congruence between rules and local conditions, collective choice arrangements, and graduated sanctions, are present in well-functioning ROSCA groups. Policy frameworks that treat ROSCAs as requiring external governance may therefore be theoretically as well as practically misguided.

5.2.4. Cultural economy and diaspora finance

The cultural economy literature (Amin and Thrift, 2004; Gibson-Graham, 2006) has argued for the recognition of economic practices that fall outside the mainstream but are no less rational or organised for doing so. This study contributes empirical weight to that argument in the specific context of diaspora finance. ROSCAs are not remnants of pre-modern economies that will eventually be replaced by formal financial institutions. They are living, evolving institutions that have migrated, adapted, and continued to serve their communities in new contexts. The presence of equivalent practices across South Asian (Seetu, Chit Fund), Caribbean, and West African communities confirms that these institutions share a common logic even as they take distinct cultural forms. Theoretical work in this area should move beyond description and towards explanation: what are the features of these communities and these practices that have made them so durable across such varied contexts?

5.3. Implications to practice

5.3.1. Policy and regulation

The most immediate practical implication of this research is the need for a formal recognition framework for ROSCAs within the UK financial system. The findings make clear that such a framework should be designed around the principle of recognition rather than regulation. Regulatory approaches that impose compliance burdens, mandatory registration, or external governance structures are likely to undermine the trust-based mechanisms that make ROSCAs function. A recognition framework, by contrast, would acknowledge ROSCA activity as legitimate, provide participants with access to legal recourse in cases of fraud or default, and create a pathway for ROSCA transactions to be treated appropriately by banks and credit reference agencies.

Specifically, the research points to three priority areas for policy intervention. First, anti-money laundering frameworks need to be updated to reflect the reality of ROSCA transactions. Banks currently have no formal basis on which to distinguish legitimate ROSCA activity from suspicious transactions, which results in account scrutiny, closures, and referrals that are both unjust and counterproductive. A recognised classification for ROSCA-related transactions would allow banks to handle them appropriately without subjecting participants to unwarranted scrutiny. Second, credit reference agencies should be encouraged to develop mechanisms for recognising ROSCA participation as evidence of financial discipline. The current invisibility of ROSCA activity within credit assessment frameworks means that participants derive no formal credit benefit from their participation, even when they have maintained consistent contributions over many years. Third, community-facing awareness and education initiatives should be developed in partnership with ROSCA communities themselves. The research shows that awareness and education is the most preferred policy approach among participants ($p = 0.0189$ for education level as a predictor), suggesting that demand-side engagement is both feasible and valued.

5.3.2. Financial institutions

The findings have significant implications for banks and other formal financial institutions. The account-flagging problem identified in this study is not a peripheral issue. It is a systemic failure that affects a large number of customers from Black and minoritised communities, and it carries reputational, legal, and ethical risks for the institutions involved. Banks should review their anti-money laundering monitoring protocols to ensure that ROSCA transactions are not automatically flagged as suspicious. Internal training on informal savings practices within diaspora communities would equip compliance teams to make more informed and proportionate judgements.

There is also a commercial opportunity here that financial institutions have not yet recognised. The ROSCA community in the UK represents a substantial pool of financially active, educated, and disciplined savers. Products designed around the ROSCA model, such as group savings accounts, rotating credit facilities, or community-linked loan products, could serve this community effectively while generating new revenue streams. Several fintech platforms have already begun exploring this space, and the receptiveness of younger ROSCA participants to digital tools suggests that demand for such products exists. Banks that move first in this area have the potential to build lasting relationships with underserved communities.

5.3.3. Community organisations and ROSCA practitioners

For community organisations and ROSCA practitioners, the implications of this research are primarily about awareness and professionalisation. The study shows that many participants are already using sophisticated governance structures, but that awareness of legal risks, fraud prevention strategies, and digital tools varies considerably. Community organisations can play a valuable role in disseminating best practices, providing templates for group agreements, and facilitating access to dispute resolution mechanisms. This does not require formalisation of ROSCA groups. It requires the provision of voluntary resources that communities can draw on as they see fit.

The research also highlights the potential for community partnerships as a preferred policy mechanism (variable 8 in Table 43, $p = 0.0085$ for ethnicity as a predictor of policy preferences). This finding suggests that community organisations are already seen as legitimate partners in the governance of ROSCA activity. Formalising these partnerships through funding, recognition, and institutional support would strengthen their capacity to provide this function.

5.3.4. Digital finance and technology

The findings on digital tool receptiveness have direct implications for fintech developers and digital finance practitioners. Younger participants aged 18 to 34 show high current use or strong interest in digital ROSCA management tools. This group represents the future of ROSCA participation and is already orienting itself towards digital platforms. However, the research also shows that digital adoption is conditioned by trust. Participants are not simply looking for efficiency; they are looking for tools that preserve the relational and social dimensions of ROSCA participation. Digital platforms that prioritise community features, transparency, and member control are likely to be more successful than those that simply replicate the mechanics of a banking app. Developers should co-design tools with ROSCA communities rather than designing for them.

5.4. Limitations and future research

5.4.1. Limitations

This study makes a substantial empirical contribution to the understanding of ROSCAs in the UK, but it is subject to a number of limitations that should be acknowledged.

First, the sample was recruited through community networks, social media, and organisational partnerships, which introduces selection bias. Participants who are already engaged with ROSCA communities and affiliated networks are more likely to have been reached by the recruitment strategy. Those who participate in more isolated or private groups may be underrepresented. The demographic profile of the sample, with its high concentration of Black-heritage participants, reflects the reach of the survey distribution rather than the relative prevalence of ROSCAs across ethnic groups in the broader UK population. Caution is therefore needed when generalising from the sample to the wider population.

Second, the study is geographically concentrated in London. While London is the most diverse city in the UK and is home to the largest ROSCA communities, practices in other cities and regions may differ in important ways. The findings should not be assumed to apply uniformly across the UK without further investigation.

Third, the reliance on self-reported data introduces the possibility of social desirability bias. Participants may have described their ROSCA practices in ways that present them more favourably, or may have underreported negative experiences such as defaults or disputes. The in-depth interview component of the study mitigates this risk to some extent, as the qualitative strand allowed for more nuanced and candid accounts, but the possibility of bias cannot be entirely eliminated.

Fourth, while the mixed-methods design strengthens the validity of the findings, the quantitative strand is limited by the cross-sectional nature of the survey. The data capture a snapshot of ROSCA participation at a single point in time and cannot trace the evolution of individual practices or group dynamics over time. Longitudinal data would provide a richer account of how ROSCA participation changes across the life course and in response to external events such as economic downturns or regulatory changes.

5.4.2. Future research directions

The findings of this study open up several productive directions for future research. Three are particularly pressing.

First, a nationally representative study of ROSCA participation in the UK would address the geographic and demographic limitations of the current sample. Such a study should use probability sampling methods to ensure that the full range of ROSCA communities across ethnic groups and regions is captured. This would allow for more robust estimates of market size and stronger generalisations about participation patterns.

Second, longitudinal research into the credit and wealth-building outcomes of ROSCA participation would provide important evidence for the policy case for formal recognition. The current study demonstrates that ROSCA participants are financially disciplined and active, but it cannot show whether participation leads to measurable improvements in financial wellbeing over time. A longitudinal design, tracking participants over five to ten years and comparing outcomes with non-participants, would fill this gap.

Third, comparative research across UK cities and diaspora communities in other countries would help to identify which features of ROSCA practice are universal and which are specific to particular cultural, legal, or economic contexts. The UK is not the only country grappling with the question of how to recognise and support informal savings practices within diaspora communities. Research partnerships with scholars in Canada, the Netherlands, France, and other countries with large West African and South Asian diaspora populations would generate comparative insights that could inform policy in multiple jurisdictions simultaneously.

Finally, there is a need for co-produced research that places ROSCA community members themselves at the centre of the design, analysis, and dissemination process. The communities studied in this research are not simply data sources. They are knowledgeable practitioners with deep expertise in informal finance. Research designs that incorporate participatory methods would both improve the quality of the evidence and contribute to the recognition and legitimacy of ROSCA practice as a subject of serious scholarly inquiry.

> *"ROSCA is not just about money. It is about community, contribution, and collective relief. It is cooperative. It is people of like mind coming together to do good for individuals and for the group."*
>
> *-- Research participant, male, aged 41-45, Nigerian heritage*

Policy recommendations

1. Reform Anti-Money Laundering (AML) frameworks. Create a recognised classification for ROSCA transactions so that banks can handle them proportionately, rather than flagging legitimate activity as suspicious.

2. Recognise ROSCAs in credit assessment. Work with credit reference agencies to develop mechanisms for capturing ROSCA participation as evidence of financial discipline, reducing the structural disadvantage faced by participants.

3. Invest in community-led education. Fund awareness and education initiatives designed and delivered in partnership with ROSCA communities. This is the most preferred policy mechanism among participants.

The overarching message is clear: ROSCAs are not a transitional or marginal practice. They are resilient, community-centred financial institutions actively serving hundreds of thousands of people in the UK. The policy challenge is not to regulate them out of existence, but to design recognition frameworks that preserve what makes them work while extending legal protection and financial visibility to the communities they serve.

References

Amin, A., & Thrift, N. J. (Eds.). (2004). *The Blackwell cultural economy reader* (pp. 3-14). Oxford: Blackwell.

Anderson, S., Baland, J. M., & Moene, K. O. (2009). Enforcement in informal saving groups. *Journal of development Economics*, *90*(1), 14-23.

Ardener, S. (1964). The comparative study of rotating savings and credit associations. *Journal of the Royal Anthropological Institute of Great Britain and Ireland*, 94(2), 201–229.

Chen, J (2026). *ROSCA Explained: The Dynamics of Rotating Savings and Credit Associations.* Investopedia. Available at: https://www.investopedia.com/terms/r/rotating-credit-and-savings-association.asp, (Accessed: 26th May 2026)

Coleman, J. S. (1988). Social capital in the creation of human capital. *American journal of sociology*, *94*, S95-S120.

Creswell, J.W. & Plano Clark, V.L. (2018) *Designing and Conducting Mixed Methods Research*. 3rd edn. London: Sage.

Equality Hub (2023) *Inclusive Britain: Update Report, April 2023*. London: Cabinet Office/Equality Hub. Available at: https://www.gov.uk/government/publications/inclusive-britain-update-report (Accessed: 26th May 2026)

Fair4All Finance (2021) *Financial Inclusion of Black, Asian and Minority Ethnic Communities in the UK*. London: Fair4All Finance. Available at: https://fair4allfinance.org.uk/financial-inclusion-of-black-asian-and-minority-ethnic-communities-in-the-uk/ (Accessed: 24th May 2026).

Financial Conduct Authority (2019) *Perimeter Guidance Manual (PERG): Guidance on Regulated Activities*. London: FCA. Available at: https://www.fca.org.uk/publications/perimeter-guidance/perimeter-guidance-manual (Accessed: 24th May 2026).

Financial Conduct Authority (2022) *Financial Lives Survey 2022*. London: FCA. Available at: https://www.fca.org.uk/publications/research/financial-lives (Accessed: 26th May 2026).

Gibson-Graham, J.K. (2006) *A Postcapitalist Politics*. Minneapolis: University of Minnesota Press.

Granovetter, M. (1985). Economic action and social structure: the problem of embeddedness. *American Journal of Sociology, 91*(3), pp. 481-510.

HM Treasury (2025). *Policy paper: Financial Inclusion Strategy*. London: HM Treasury. Available at: Financial Inclusion Strategy - GOV.UK (Accessed: 26th June 2026).

Hossein, C. S. (2023). *Beyond the Profit Motive: The Banker Ladies and the Black Social Economy*. University of Toronto Press.

Joseph Rowntree Foundation (2021). *UK Poverty 2020/21: The Leading Independent Report*. York: Joseph Rowntree Foundation. Available at: https://www.jrf.org.uk/uk-poverty-2020-21 (Accessed: 27th May 2026)

McNabb, K., LeMay-Boucher, P., & Bonan, J. (2019). Enforcement Problems in ROSCAs: Evidence from Benin: K. McNabb et al. *The European Journal of Development Research*, *31*(5), 1389-1415.

Ndoya, H.H., Takou, E. & Lekima, A. (2019) 'What drives ROSCA participation? Evidence from Cameroon', *Economics Bulletin*, 39(2), pp. 1361-1375.

North, D.C. (1990) *Institutions, Institutional Change and Economic Performance*. Cambridge: Cambridge University Press.

Onda, M. (2021). Rotating savings and credit associations as traditional mutual help networks in East Asia. *International Journal of Asian Studies, 18*(1), pp. 1-18.

Ostrom, E. (1990) *Governing the Commons: The Evolution of Institutions for Collective Action*. Cambridge: Cambridge University Press

Portes, A. & Sensenbrenner, J. (1993) 'Embeddedness and immigration: notes on the social determinants of economic action', *American Journal of Sociology*, 98(6), pp. 1320-1350.

Putnam, R.D. (2000) *Bowling Alone: The Collapse and Revival of American Community*. New York: Simon and Schuster.

Thaler, R.H. & Benartzi, S. (2004). Save more tomorrow: using behavioral economics to increase employee saving. *Journal of Political Economy*, *112*(S1), pp. S164-S187.

Wambua, J. & Wamuyu, P.K. (2020). Role of mobile applications in mitigating challenges faced by informal saving groups. *Journal of Financial Services Marketing.*

Zambrano, A., Giraldo, G., Perdomo, J., Hernandez, C. & Godoy, S. (2023). Rotating savings and credit associations: a scoping review. *World Development Sustainability*, *3*, 100082.