



Healthcare
Improvement
Scotland

Community
Engagement

Reciprocal exchange schemes – a discussion paper

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Volunteering in NHSScotland

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Introduction

The aim of this briefing is to give an informed perspective about the potential of Local Exchange and Trading Schemes (LETS) and timebanking to support innovation in contemporary service design and delivery in health and social care. Special reference is made to the concepts of place, community and co-production.

The briefing comprises three parts. Part I, examines the origins and development of LETS and timebanking as Complementary Currency Systems (CCS) in the UK. This part is based on a review of key texts (see attached bibliography). Part II, looks at the current and emerging practice in Scotland and is based on the perspectives of individuals with lived experience of coordinating and participating in LETS. In part III, the findings from part I and II are brought together to explore the potential of CCS to complement current health and social care provisions in Scotland in the context of co-production.

During the investigation, it was noted that Complementary Currency Systems, including LETS and timebanking, continue to be viewed as experimental formats operating more towards the cutting edge of economic and societal change. Inevitably this gives rise to a broad spectrum of sometimes opposing views and perspectives on their relative merits and validity as alternatives to extant practices and systems. For a more conclusive evaluation of the CCS phenomenon and its potential place in the creation of health and wellbeing in Scotland, additional and in-depth research including engagement with the full spectrum of stakeholders is therefore recommended.

I. LETS – a brief overview of the origin and development of LETS and timebanking

1.1 1980s – LETS first appeared in the UK from 1983/4. Networks are primarily led by individuals engaged in environmental activism and social reform movements. The aim of early LETS is to develop local trade and exchange as an alternative to the capitalist market system and the free trade agenda both of which are perceived as having scant regard for the protection of the natural environment and the development of a more humane society.

1.2 1990s - In the wake of the 1992 Earth Summit in Rio, (calling on local government to adopt environmentally sustainable practices) local authorities in the UK discover LETS as a potential format to support and expand local trade in an environmentally sustainable way. In addition, the LETS format is

supported and promoted as a low cost contribution to revitalising areas which lost their economic base in traditional industries during the 1980s. For a period LETS proliferate across the country. Whereas the LETS movement grows, individual schemes frequently struggle with sustainability¹².

1.3 By the year 2000 the proclaimed ability of LETS to rebuild and strengthen social cohesion in communities constitute the main argument in favour of the format whilst the economic and environmental cases move into the background. This gradual reframing of the perspective on LETS coincides with a decline in the number of schemes seen as providing benefits in economic terms, whilst evidence of the social benefits of LETS for those that actively engage with schemes is growing.³

1.4 Meanwhile, in the writing of Edgar S. Cahn, timebanking is proposed as an alternative to LETS with a clearer focus on community engagement and the creation of social capital⁴. In addition, timebanking is cast as complementary to mainstream economic practice rather than offering an alternative. Cahn's followers subsequently define timebanking as, "complement to the money dominated world we inhabit"; timebanking itself is defined as, "time based currency".⁵ This places the emerging format firmly alongside LETS, which equally function by using Complementary (or alternative) Currency Systems (CCS), for example to shield their exchange and trade activities from market mechanisms in the conventional economy.

1.5 Among CCS, timebanking is a pioneer in advocating the use of digital platforms, for example, [Community Weaver](#) software, to record and coordinate members' activities. In the context of current developments in crypto currencies and the use of block chain this is sometimes discussed as holding the potential for networking local CCS schemes into larger national and transnational networks. The use of information computer technology (ICT) platforms by LETS reflects their diversity.

¹ Seyfang, Gill. (2000). "The Euro, the Pound and the Shell in Our Pockets: Rationales for Complementary Currencies in a Global Economy." *New Political Economy* 5 (2), 227-46.

² Aldridge, Theresa J, Tooke, Jane, Lee, Roger, Leyshon, Andrew, Thrift, Nigel and Colin Williams. (2001). "Local Exchange and Trading Schemes (LETS): A tool for community renewal?" *Community, Work & Family*, 4 (3), 355-361.

³ Aldridge, Theresa J, and Patterson, Alan. (2002). "LETS get real: constraints on the development of Local Exchange Trading Schemes." *Area*, 34 (4), 370-381.

⁴ Stephens Lucie, Ryan-Collins Josh and Boyle David (2008) A Manifesto for growing the core economy accessed at [https://neweconomics.org/uploads/files/5abec531b2a775dc8d_qjm6bqzpt.pdf]

⁵ <https://timebanks.org/>.

1.6 Despite continued interest in LETS and timebanking across the world, including a growing body of literature, there is little consensus on where the movement is going and what future potential it holds. The reason for this includes the ongoing diversification of the CCS model, which is adapted and reimagined by its protagonists across the globe with remarkable dynamism to work alongside mainstream economic and social systems.

II. LETS in Scotland and in the United Kingdom

2.1 Following a relative decline in registered LETS activity in the UK by 2000, the Transition Town movement and the financial crisis of 2008 mark another revival of the format, or alternative models, which are still in evidence.

2.2 This time, the focus rests on the potential of LETS and timebanking to support managed economic, social and political reform in the face of globalisation, demographic change and the 'climate crisis'. For this CCS are reimagined, for example as possible vehicles towards reforming public services, including health and social services, with a focus on place, community and co-production.⁶⁷

2.3 Activity of a UK wide movement is evident on the web presence for both LETS⁸ and timebanking⁹. In both websites interactive maps indicate active groups in Scotland, particularly through the central belt. Personal communication with the UK LETS coordinator, identified the challenge of maintaining such a web based resource, including keeping the information, 'up to date'. This is especially relevant for the interactive mapping tool, particularly when many groups have moved to social media platforms such as Facebook and Yahoo groups and earlier networking contacts have been lost. As a consequence, the activity of LETS in Scotland is currently sparse, although the UK LETS coordinator receives a steady flow of enquiries from people looking to join a local Scottish group. This indicates a potential for revival. In Edinburgh, a LETS group set up in the 1980's, continues to be active, with current trading using a digital platform. Exploration of the Edinburgh LETS web pages¹⁰ reveals trade sections specifically for, 'Health

⁶ Stephens Lucie, Ryan-Collins Josh and Boyle David (2008) A Manifesto for growing the core economy Accessed at [https://neweconomics.org/uploads/files/5abec531b2a775dc8d_qjm6bqzpt.pdf]

⁷ Blanc, Jérôme, and Fare, Marie. (2013). "Understanding the Role of Governments and Administrations in the Implementation of Community and Complementary Currencies." *Annals of Public and Cooperative Economics*, 84 (1), 63-81.

⁸ <https://www.letslinkuk.net/>

⁹ <https://www.timebanking.org/>

¹⁰ <https://www.letsedinburgh.org.uk/>

and Wellbeing', and, 'Care Work'. Current 'Trade' offered under the banner of 'Health and Wellbeing, includes therapy services, generally those referred to as, 'holistic or complementary therapies', rather than services provided by the NHS. Currently trading under, 'Care', is a request for befriending work. Personal communication with the Edinburgh LETS coordinator, suggests that any, 'care', given and received as a, 'local exchange of trade', is not intended or expected to meet ongoing care needs. It is more of a friendly, casual, 'helping hands', usually by people with previous experience of care work, 'traded', on a, 'as and when', rather than a, 'regular', basis.

2.4 The same person recalled trade in terms of, 'Care Work', had previously been offered in the form of befriending activities, wheelchair outings, a, 'listening ear', an escort for visually impaired members, support with paperwork for people with dyslexia, or occasional telephone calls to keep people, without internet access, in the loop and remind them of upcoming events. They also noted that members with a social work background have offered, 'trade', as, 'senior sitting', benefits advice and help with applications.

2.5 Other practical support received included, 'help around the home', for example light housework including cleaning, and gardening. It is worth noting that these examples might be considered differently by statutory services, for instance, required as a package of care or purchased under Self Directed Support.

2.6 Alongside the consideration of what practical actions of, 'care', might be, 'given', the LETS members consulted for this briefing, raised other pertinent points to be considered in regard to how a LETS model might, 'fit', with statutory local health and social care services:

- Skilled and professional management.

As previously noted here, the management of a LETS requires skill, expertise and professionalism. This is usually done without financial funding and given from personal, 'time'. For a LETS model to work as part of a, health and social care system it would require official endorsement and could only provide a complement to rather than a replacement of statutory provisions. This would further need to be coordinated with what is already provided locally.

- Inability to earn credits

Consideration is given to those members who receive, 'trade', and use credits but whose illness or situation prevents the earning of more credits, for example a person in their end of life stages *"needy people are not always able to reciprocate, which can undermine the give and take concept"*

which underpins the LETS trade concept 'Local Exchange Trading Scheme' ". This has been overcome by some LETS in the creation of a social care fund, whereby members by means of credits pay 'a subscription' or 'voluntary donations', into the fund.

- Vulnerability, safety and protection

To become a member of a LETS, neither a Protection of Vulnerable Groups (PVG) Scheme membership nor Disclosure certificate is mandatory. It was mentioned that LETS groups may have their own system to, 'vet', prospective members and also asks members to, *"keep safety in mind when organising trades"*. It was noted that members offering care type activity often do have their own PVG certificates from other employment or work roles, whilst recognising these are not transferable and the recipient of a service would not have sight of or any assurance of current membership of the PVG scheme. If a member of a LETS was delivering, 'regulated work', under the current legislation the requirement for screening is on the, 'employing agency', regardless of whether the role is paid or voluntary.

- Motivation for membership

Individuals' motivations for joining CCS are as diverse as the membership itself. Whilst early protagonists of the LETS movement tended to be affiliated by a shared interest in trying out and developing alternatives to the economic and social status quo, the proponents of timebanking from the outset aimed for the creation of social capital. Where schemes are actively supported and promoted by public and third sector agencies, the social capital argument has been the key argument justifying support. In consequence scheme membership has become yet more diverse, now including individuals who are motivated by the promise of joining a wider social network, making a difference by contributing to their local community as volunteers, and gaining benefits for their own health and wellbeing in return, rather than aspects of social capital.

III. Discussion

3.1 Despite a history in the UK of nearly 40 years, CCS have neither completely disappeared nor have they yet become part of the mainstream of social and economic activity. The reasons why individual schemes such as the Bristol Pound or the Fenland Dollar are promoted as viable long term projects,

whereas similar schemes in other places fail,¹¹ remain somewhat elusive and difficult to pinpoint. In the literature the benefits gained from participation in CCS has been described as essentially qualitative and therefore problematic to capture and evaluate.¹² One might reasonably suppose that where the output required to keep schemes going, whether in the form of personal commitment and voluntary contribution or third party support such as funding or logistics, is no longer warranted by the outcomes, schemes will eventually become unsustainable.

3.2 However, the deep roots of parts of the CCS movement in activism coupled with the enduring ambition among its protagonists to offer value based alternatives to market capitalism might well outweigh such pragmatic considerations and account for the fact that CCS continue to defy conventional approaches at categorisation.

3.3 In the context of co-production a recent evaluation has pointed out that there is scarce evidence of co-opted timebanking schemes contributing to the 'co-delivery' of public services in England¹³. Our limited investigation suggests that this is true in Scotland also.

3.4 In contrast, the reported benefits individuals and groups gain from being part of a wider social, and exchange, network, are concurrent with well supported observations that people who are meaningfully engaged in social networks, tend to benefit by maintaining better health and wellbeing for themselves. In the literature this is discussed as co-production working on a person to person level with a growing body of evidence supporting its validity.

3.5 If thus, the enduring characteristics of CCS include the diversity of forms they produce, the relative informality and heterogeneity of the social networks they support, and the challenges around capturing the benefits they provide, the question might be asked if co-opting CCS into public sector reform programmes is currently supported by a solid enough body of evidence.

3.6 This however, is not say that individual schemes, given the right level of support cannot adapt and accommodate the comparative weight of the legal and procedural demands prevalent in public service provision, such as, safeguarding individuals, risk management, financial planning and performance management and evaluation.

11 Media article on the HullCoin

<https://technation.io/news/hullcoin/#:~:text=HullCoin%20is%20an%20initiative%20that,social%20behaviour%20in%20the%20city.>

12 Doria, L., Fantacci, L. Evaluating complementary currencies: from the assessment of multiple social qualities to the discovery of a unique monetary sociality. *Qual Quant* 52, 1291–1314.

13 Naughton-Doe; Cameron; Carpenter. 2020

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